

Livestock Gross Margin 2027



Course Navigation

- Use the Next button to advance through the screens
- A menu on the left shows your progress and completed sections
- To ensure you receive credit, please allow the audio on each slide to finish before advancing
- There are knowledge checks where you will have a minute to complete
- If you experience any technical issues
 - reply to the email containing the course link
 - include the details of the issue

Training Disclaimer

Materials presented may not cover all changes and/or updates. For all changes, refer to the current years:

- Policy Provisions
- Commodity Exchange Endorsement
- Individual Livestock Endorsements
- Handbook
- Bulletins
- Application
- Substantial Beneficial Interest (SBI) Form

Confidentiality Notice

- This document is the confidential property of NAU Country. Neither this document, nor the information contained within is to be distributed - in whole or in part - by any means without prior authorization, including but not limited to printed, magnetic, electronic or verbal forms
- QBE and the links logo are registered service mark of QBE Insurance Group Limited. NAU and NAU Country are registered service marks of NAU Country Insurance Company
- NAU Country Insurance Company is an Equal Opportunity Provider

About Us

NAU Country

- Experienced team delivering fast, straightforward solutions for complex crop insurance challenges.
- Our proprietary technology streamlines delivery so agents stay efficient and personal.
- Rated “A” (Excellent) by AM Best, providing the financial strength that supports customer security.

QBE Insurance Group

- QBE acquired NAU Country in July 2010 to diversify products and strengthen its U.S. position.
- QBE Insurance companies are rated “A” (Excellent) by A.M. Best and “AA-” by Standard and Poor’s. For more information, visit www.qbe.com.

Corporate Contacts

Account Relations:

- 855.307.8655
- AccountRelations@NAUCountry.com

Accounting:

- 800.942.6557
- 763.486.1711
- 763.486.1667 (Fax)
- AccountingBilling@NAUCountry.com
- Commissions@NAUCountry.com
- AccountingPayableClaims@NAUCountry.com

Underwriting:

- livestock@naucountry.com
- drp_uw@naucountry.com

Claims:

- livestock.claims@naucountry.com
- nau-drp_claims@naucountry.com

- 800.942.6557
- 763.427.6473 (Fax)

Document Submission:

- Upload to EWP using Documents>Upload Documents
- Utilize EASYSsign

Agenda

- RMA Requirements
- LGM Overview
- LGM Dairy
- LGM Swine
- LGM Cattle
- Underwriting Reminders



RMA Requirements



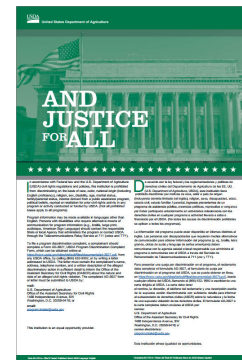
Non-Discrimination

Available without regard to:

- Race
- Color
- National Origin
- Religion
- Sex
- Disability
- Age
- Marital Status
- Familial Status/Parental Status
- Individual's income derived from a public assistance program
- Political Beliefs
- Retaliation for prior civil rights activity
- Receipt of Public Assistance

Non-Discrimination Statement

- New Non-Discrimination statement for 2025
- Required on websites, crop insurance forms, and advertisements promoting RMA products, including but not limited to:
 - Newspaper ads
 - Newsletters
 - Information / fact sheets or handouts
 - Radio or television advertisements
- If space is limited, RMA has given approval to print a shorter statement, by using only the phrase “This Agency is an Equal Opportunity Provider”
- “And Justice For All” posters must be prominently displayed in your office
 - Version AD-475-A, March 2025 is the only version RMA considers in compliance
 - Contact your Marketing Representative if you need the 2025 version to hang in your office



Civil Rights Awareness

- 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 Agency 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 may be made available in languages other than English. Instructions for filing a Civil Rights complaint are included in the information on the corresponding page within your manual
- To file a program discrimination complaint, complete the USDA Program Discrimination Complaint form, AD-3027, found online at [How to File a Program Discrimination Complaint](#) and 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: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Ave, SW, Washington, D.C. 20250-9410; (2) fax: (202)690-7442; or email: program.intake@usda.gov.
- Complaints must be filed within 180 days of alleged incident

Fraud/Waste/Abuse and Data Mining

- RMA uses **data mining** to identify unusual claim or production patterns
- Producers flagged through data mining are subject to **AIP review**
- Reviews may include:
 - **3-year APH review**
 - **Policy review**
 - **Claim review** (if applicable)
- NAU Country is required to complete these reviews when notified by RMA

Reporting Fraud/Waste/Abuse

USDA Office of Inspector General (OIG)

You may report suspected violations related to USDA programs **confidentially or anonymously**

- **Reportable issues include:**
 - Fraud, waste, or abuse
 - Bribery or theft
 - False statements or misrepresentation
 - Conflicts of interest
 - Misuse of USDA funds or programs
- **Phone**
 - **800-424-9121**
 - **202-690-1622** (Washington, DC)
- **Online**
 - www.usda.gov/oig/hotline

Referral Misrepresentation Fraud Waste Abuse

Pursuant Appendix IV, Section IV of the Standard Reinsurance Agreement (SRA), referral of suspected misrepresentation, fraud, waste and abuse must be reported to the RMA.

Section IV. Reporting Suspected Misrepresentation, Fraud, Waste, and Abuse

In all cases where the Company or its affiliates reasonably suspect misrepresentation, fraud, waste, or abuse, the Company shall:

- a) Immediately report such cases to FCIC;*
- b) Not take any action until the Company and FCIC have agreed to the appropriate course, except as necessary to preserve the timely adjustment of the claim or as otherwise authorized by FCIC procedures;*
- c) Take any action required by FCIC and, upon completion, forward all information and documents in the possession of the Company regarding the required action to the appropriate FCIC compliance office for the area; and*
- d) If the Company does not find adequate evidence to support a conclusion that a misrepresentation, fraud or waste and abuse has occurred, maintain all documents, in accordance with Section IV(g) of the Agreement, relating to the suspected misrepresentation, fraud, waste, or abuse, and any action taken.*

This applies to NAU staff (including contract adjusters), Agents, and Insureds

Backdating: Prohibited

- Agents backdating policy documents that have time-sensitive deadlines is becoming a recurring problem
- This is a violation that must and has been reported to the RMA as potential misrepresentation, fraud, waste, or abuse
- This could result in premium overstatements, lost commissions for agents, and voided policies for our insureds

Do NOT Alter NAU Country Printed Forms!

Policy information for policy navigation when uploading

These fields are automatically pulled from EWP
Do Not alter or remove

Preliminary SOI
Multiple Peril Crop Insurance

Created By: MPITTMAN
Created: 02/08/2025

 **NAU Country**
A QBE Insurance Company

Line #	Unit #	Crop Plan	Prac/Type TMA/Other	Section/Twp/Range Field Location ID	Acres Plant Date	Appd. Yld/Rev.	Acres Guarantee	Guarantee or Amt. of Cov.	Price	Int	Liability	Area Class	Gross Premium	Premium Subsidy	Insured Premium	
8		WHEAT RP	CONT CROP W	00-1-N0-W	303.87 9/12/2024	53 39.8		12.094 \$238.80	\$6.00	1.0000	\$72.564 \$239/Acre		\$27.213	\$14.967	\$12.246	
0001-0056		Option(s): BUQLTAWOYAYCYE Yield Limit 9-YA - 60% TYield Adjusted				Rate Yld	Landlord/Tenant		Other Person(s) Sharing in crop							
065 Hughes		Associated Legals				Acres Type	Other	Insurability								
246		Farm Name: [Redacted]				2025 Prod:	Yield & Desc.	Prod Type								
246		WHEAT RP	CONT CROP W	00-1-N0-W	227.01 9/21/2024	54 40.5		9.194 \$243.00	\$6.00	1.0000	\$55.163 \$243/Acre		\$13.963	\$10.752	\$3.211	
0001-0510		Option(s): EUQLTAWOYAYCYE Yield Limit 14-Default Yield Limitation For Trended Databases				Rate Yld	Landlord/Tenant		Other Person(s) Sharing in crop							
119 Sully		Associated Legals				Acres Type	Other	Insurability								
119 Sully		Farm Name: [Redacted]				2025 Prod:	Yield & Desc.	Prod Type								

System-generated footer must be printed on forms

Conflict of Interest

- **Conflict of Interest (COI) - Agent**
 - Signed annually by agent before premium attaches to the policy, returned to NAU Country
 - Dates vary by policy type
 - Livestock, Nursery, and some CA crops are early
 - For most crops, signature is required before the Acreage Report is signed
 - Email notice that online completion is open for the new reinsurance year is sent out in May (complete right away, and revise, if necessary, later)
 - Revisions required within 15 days of any new relationship creating a Conflict of Interest
 - If RMA has already selected a policy for a COI review based on an existing disclosure, the review will be completed regardless of an intervening change in the COI disclosure
 - **Submit COI through the NAU Country Agent Portal**
 - Available May 2026 for the 2027 Reinsurance year
 - Conflict of Interest link is under Quick Links (halfway down the right side of the main screen)

Your Duty to Disclose Conflicts

- The current Standard Reinsurance Agreement (SRA) requires NAU Country Insurance Company to notify all its employees and affiliates, including, but not limited to, agents, agencies, and loss adjusters, in writing of their duty to disclose to us, and in turn FCIC, any business, financial, legal or familial relationship with a policyholder, or a person with a substantial interest in the policyholder, in accordance with Appendix I of the SRA.

Conflict of Interest Reminders

- Read the COI form questions carefully
- You must report any policy that your tax ID# is listed on, including in the Substantial Beneficial Interest (SBI)
- PRF and other area plan policies must be reported for COI
- You must revise your COI within 15 days of identifying a “new” conflict
- You must report any MPCl or Livestock policy, even with zero acres if still an active policy
- “Conflict Entity” on the COI form means the insured name on a policy being reported. You must report by policy name and number (if available) all policies constituting a COI for you.
- You must fully complete a COI disclosure if you are an active agent for MPCl or Livestock, even if you do not write any MPCl or Livestock policies
- All AIPs are required to report to RMA all individuals with COI failure to disclose violations
- **Failure to properly report Conflicts of Interest will result in reporting to RMA.** Agents are expected to take COI reporting seriously. Contact your **Marketing Representative** with questions on what must be reported and **Account Relations** for assistance updating your COI disclosure.

Most Common Agent COI Mistakes

- If Spousal policy, answer question #1 (I have an interest in a policy), not #2 (I have a relative that has an interest in a policy)

Questions

- | | | |
|--|--------------------------|-------------------------------------|
| 1. Do you have a share in a crop insured under any eligible crop insurance contract insured by the AIP? ⓘ | Yes | No |
| | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. Do any of your relatives have a substantial beneficial interest in any eligible crop insurance contract insured by the AIP? ⓘ | Yes | No |
| | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

- You have to report a policy even if no acres are reported
- You have to report any Livestock policies
- You have to report being an SBI on any MPCl, Livestock, or Dairy policy
- You have to report relatives even if they are with another agent who writes with NAU Country
- You have to report if you are an active MPCl agent even if you have no MPCl policies
- Remember to disclose all policies where you are a Power of Attorney (POA). Keep a list!

Non-Disclosure Statement (NDS)

- NDS Annual Certification form must be signed at agency set up and each calendar year between January 1 and March 15
- The forms notification email is sent in January and will direct the agency owner/officer to the Agent Portal to complete the Non-Disclosure form
- Agency Non-Disclosure Statement – Once from each agency at set up
- Individual Non-Disclosure Statement – Must be kept on file at the Agency, signed one time by each person in the agency or contracted with the agency before obtaining access to MPCl protected information unless requested by NAU Country

Controlled Business

Certifies compensation from policies sold to the agent or **immediate family** does not exceed **30%** (or state limit)

Applies to **total compensation**

Not AIP or plan specific

Penalties may include:

- Civil fines up to **\$10,000 or amount gained**
- Disqualification up to **5 years**

Affiliate Certification:

- Email issued by RMA after final settlement
- Due back to **Account Relations in December**
- Completed via **Agent Portal**
- Maintain on file at agency

Individual Certification

- Required **annually**
- Maintain on file at agency
- **Do not submit unless requested**
- **Timing Note:** Completed **after** the reinsurance year ends (e.g., 2025 RY → Oct–Dec 2027)

Covenant Not to Sue

- Covenant Not to Sue form is a one-time form that needs to be signed by all agents
- It does not list a specific Reinsurance Year, per MGR-10-012.1
- Must be signed before any Sales or Service for the 2027 reinsurance year, if not previously submitted

Anti-Rebating

- Individual certification of applicant/insured and agent at time liability is established
- Agent signing applicable form when liability is established is certifying there is no rebating
- Statement is found on NAU Country acreage report and other forms

“I certify, for the crop year indicated, that I have not directly or indirectly received, accepted, or been paid, offered, promised, or given any benefit, including money, goods, or services for which payment is usually made, rebate, discount, abatement, credit, or reduction of premium, or any other valuable consideration, as an inducement to procure insurance or in exchange for purchasing this insurance policy after it has been procured. I understand that this prohibition does not include payment of administrative fees, performance-based discounts and any other payment approved by FCIC that are authorized under sections 508(a)(9)(B) and 508(d)(3) of the Federal Crop Insurance Act (Act) (7 U.S.C. §§ 1508(a)(9)(B) and 1508(d)(3)). I understand that a false certification or failure to completely and accurately report any information on this form may subject me, and any person with a substantial beneficial interest in me, to sanctions, including but not limited to, criminal and civil penalties and administrative sanctions in accordance with section 515(h) of the Act (7 U.S.C. §1515(h)) and all other applicable federal statutes.”

Service Fees/Procurement Integrity

- Service Fees
 - The SRA prohibits charging service fees
 - Agents are prohibited from assessing service fees or additional charges on eligible crop insurance contracts reinsured and subsidized under the SRA except as authorized by the Act or approved by FCIC in writing
- Procurement Integrity
 - The SRA prohibits the following with any FCIC official
 - Discussions of employment or business opportunity
 - Offer of or to give anything of value, including meals

Policyholder Bill of Rights

- In a prior crop year there was an industry issue centered around AIPs cancelling crop insurance contracts without the insureds' consent (other than for reasons in the policy)
- From that came several RMA bulletins
 - MGR-24-003, 003.1 and 003.2
- RMA then posted the Bill of Rights and an FAQ on their website (see link and Notes below)
- Please become familiar with both documents
- www.rma.usda.gov/Topics/Policyholder-Bill-of-Rights

Limited English Proficient (LEP)

- A Limited English Proficient (LEP) individual is someone who does not primarily speak English and has a limited ability to read, write, speak, or understand English.
- If an LEP individual requests a **policy or other essential document** in a language other than English, NAU Country will request the translated document from RMA and provide it to the insured.
- If **oral translation** is needed, the AIP will contact the Regional Office LEP Coordinator or use an accredited translation service. NAU Country staff who are fluent in the individual's language may also assist.
- Agents should contact **Pam Gothier** at the NAU Country Ramsey, MN office for any LEP-related assistance.

Outreach and Accessibility

NAU Country is committed to providing access to crop insurance programs for **underserved and minority producers** and complies with **RMA Civil Rights requirements**.

Agents should:

- Be aware of USDA **Outreach and Advocacy** programs available in their communities
www.outreach.usda.gov
- Use **USDA Census data** to help ensure programs are reaching all producers
www.agcensus.usda.gov
- Maintain a plan to **accommodate insureds with disabilities**, which may include meeting outside the office when necessary

Agent Record Retention

- Access to Records and Operations
 - Agent records shall be retained until three (3) years after the last day on which records may be submitted through automated systems in accordance with Appendix III
 - This is in effect a 7-year record retention requirement for all documents
 - Retain Indefinitely any document that establishes the current coverage (applications, policy changes, POA's, written agreements, endorsements, etc.)
 - i.e., An insured signed an application in 2014 and because coverage is continuous, they have not submitted another application or change form. The 2014 application will be needed in an audit, even though it is past the 7-year record retention requirement.
 - Producers still have a three (3) year record requirement from calendar year of certification
 - All records can be maintained in electronic format (scanned)
- Tips for Agent Electronic Record Retention
 - Have sufficient IT infrastructure to quickly manage current / archived data
 - Develop a document life cycle plan and written retention and destruction policy, stick to it and keep written records of compliance
 - Electronic communications may have to be produced, so choose your words wisely

Agent Training Requirements

Classroom Instruction consisting of:

- 3 Hours the initial year by plan for new livestock agent certification that includes passing score of 70% for a competency exam
- 2 Hours structured training for experienced agents on updates or changes for succeeding years

Competency Exam

- Taken every 3 years
- Passing score of 70% or higher



Training Certificates on Agent Portal

- You will receive an email notification when your training certificate is posted
- Log into the Agent Portal → Training → Training Certificates
- Certificates display year, agent name, class date, class type, and class name
- Filters allow you to sort by year, agent, or class
- **Note:** Agents must still apply for license renewal with the state.

Year	Name	Class Date	Class Name	Certificate
2019	Patrick Umberger	12/12/2019	Livestock Training	12/12/2019
2018	Patrick Umberger	8/15/2018	IT Product Training	8/15/2018
2018	Patrick Umberger	3/22/2018	Recent IT Releases	3/22/2018
2018	Patrick Umberger	3/22/2018	IT Training and Resources	3/22/2018
2018	Patrick Umberger	3/22/2018	Help Library	3/22/2018
2018	Patrick Umberger	3/22/2018	Tips and Tricks	3/22/2018
2018	Patrick Umberger	3/22/2018	Videos	3/22/2018
2018	Patrick Umberger	3/22/2018	Request IT Training	3/22/2018
2018	Patrick Umberger	6/15/2018	ACRSI Information	6/15/2018
			2018 SPRING MPCI UPDATE - 4	
			2018 NURSERY TRAINING	
			2018 SPRING ADJUSTER UPDATE - DAYS 1 & 3	
			2018 SPRING ADJUSTER UPDATE	
			2018 LIVESTOCK GROSS MARGIN	

Ethics Training Resources

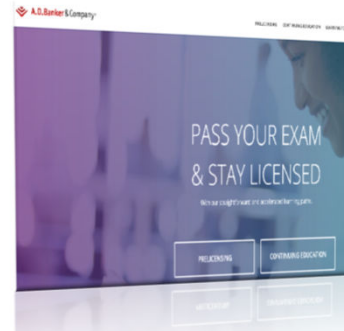
Ethics Training Online:
www.webce.com



Ethics Training Online:
www.bmfce.com



Ethics Training Online:
www.adbanker.com

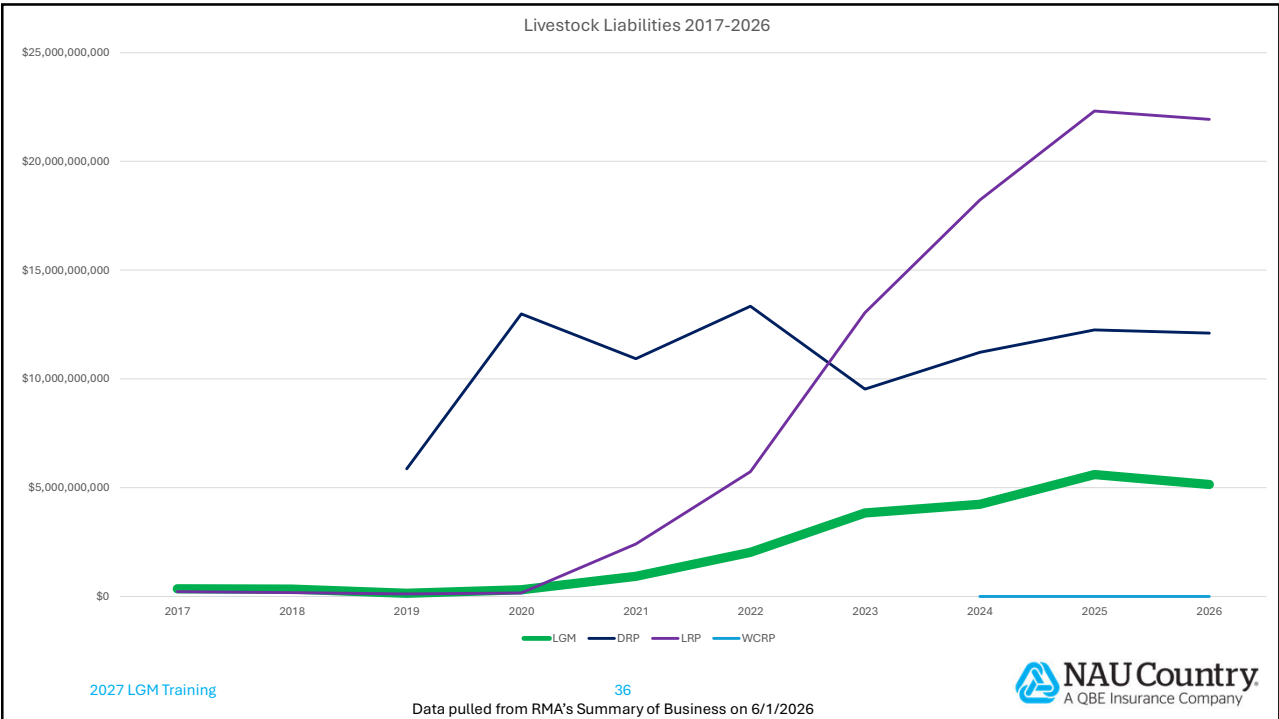
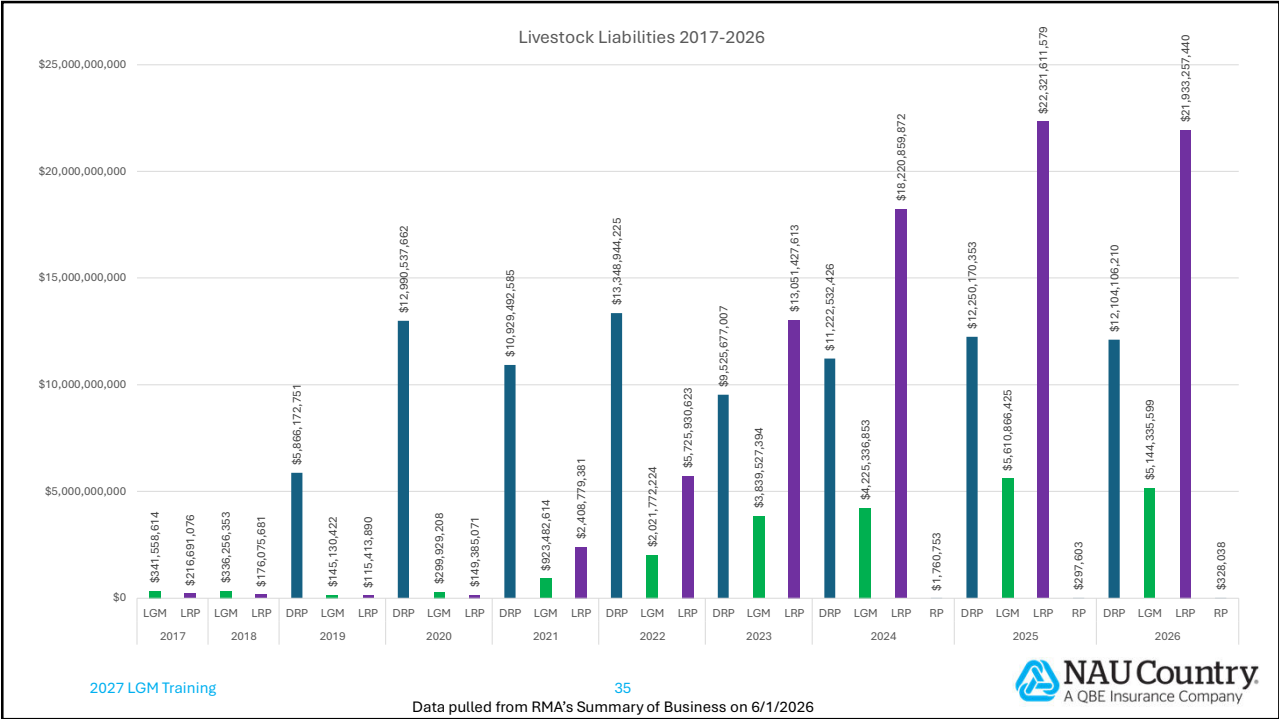


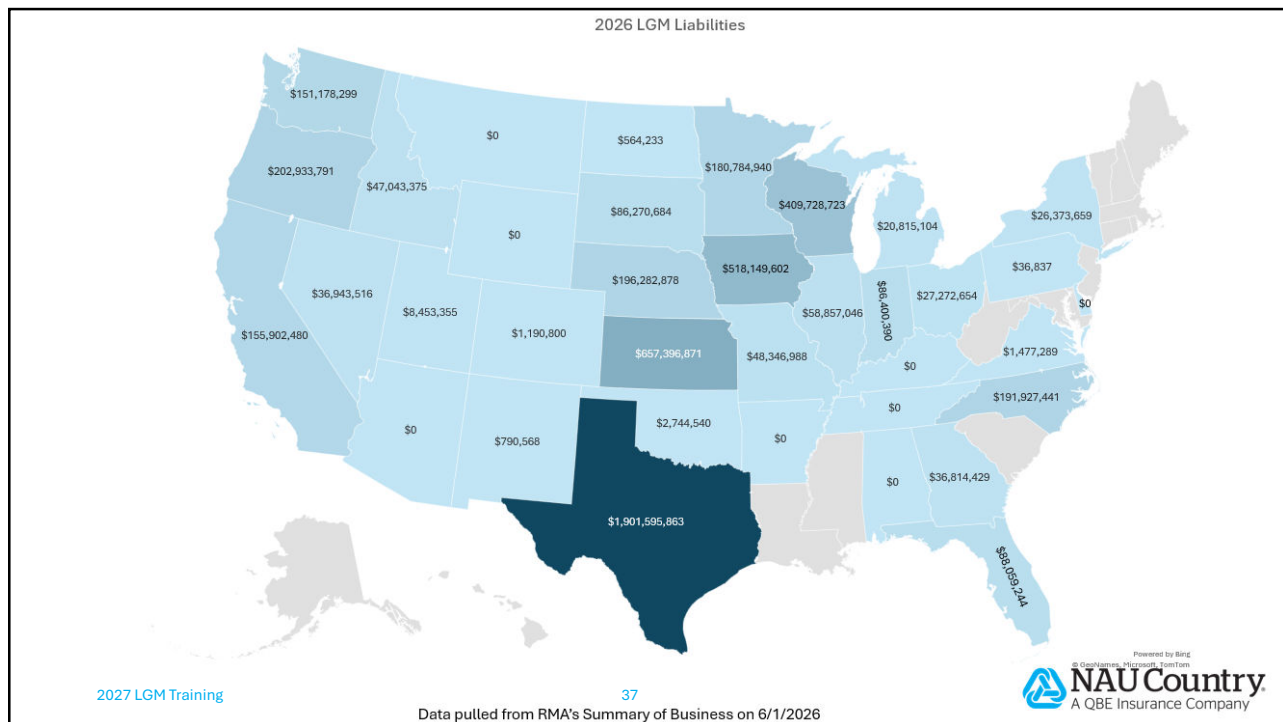
Agent License Requirements

- State Insurance Licensing Requirements
 - Agents must secure and maintain a valid state insurance license
 - Agents must secure a non-resident license if they write business outside of their resident state
 - Agents must be properly state licensed to service federal insurance policies within the state the livestock is located *at the time insurance attaches*
- In addition, the company requires:
 - Proof of errors and omissions coverage
 - Conflict of Interest Form completed and on file annually

Livestock Gross Margin Overview







LGM – The Basics

Provides protection against the loss of gross margin between commodity price and feed cost

Expected Values of the livestock/milk are determined by futures prices

Actual Values are based on contract settlement prices and please note the price producer receives for livestock, or pays for feed is not used in calculation

Does not insure against:

- Death or other loss or destruction of cattle/swine
- Any other loss or damage of any kind
- Underwriting capacity is limited

2027 LGM Training 38 NAU Country
A QBE Insurance Company

Added Definitions

- **Brokerage Record** - Any document, statement, confirmation, or electronic record maintained or obtained from a broker or other registered intermediary, that reflects transactions in commodity futures or options contracts, including but not limited to trade confirmations, account statements, position reports, and order records, for any account in which you or any person with a substantial beneficial interest in you holds a direct or beneficial interest.
- **Cancellation** - When the policy is no longer in effect as of the cancellation date.
- **FAA** – Federal Arbitration Act found at 9 U.S.C. § 1 et seq.

Added Definitions

- **Off-Exchange Contract** - Any bilateral agreement, whether written or oral, between you or any person with a substantial beneficial interest in you and a counterparty, that is not executed on or cleared through a regulated commodity exchange, under which one or more payments are contingent upon or derived from the price of insured or related commodities, the value of commodity futures or options, or the amount of any potential or realized indemnity under this policy. The term includes, but is not limited to, over-the-counter put or call options, forward contracts with embedded optionality, swap agreements, and any arrangement that replicates or approximates the payoff structure of an exchange-traded option.
- **Termination** - When the policy is no longer in effect as of the date specified in the policy.

Clarified Definitions

- Cancellation Date - The calendar date specified in the actuarial documents on which coverage will automatically renew unless canceled in writing by either you or us or terminated or voided in accordance with the policy terms.

Base County Dates	
Cancellation Date	06/30/2027
Premium Billing Date	03/01/2027
Termination Date	09/30/2028
Contract Change Date	04/30/2027

Revised Definitions

- Beginning Farmer or Rancher - An individual who has not actively operated and managed a farm or ranch in any State, with an insurable interest in a crop or livestock as an owner-operator, landlord, tenant, or sharecropper for more than 10 crop years. An individual's insurable interest in any crop year may be excluded at the request of the individual if the interest was held by the individual while:
 - (1) under the age of 18;
 - (2) in full-time military service of the United States; or
 - (3) in post-secondary education. A person other than an individual may be eligible for beginning farmer or rancher benefits if there is at least one individual substantial beneficial interest holder and all individual substantial beneficial interest holders qualify as a beginning farmer or rancher.

Mediation, Arbitration, Appeal, Reconsideration, Administration and Judicial Review

POLICIES:
DRP Sec 19
LGM Sec 19
LRP Sec 11

HANDBOOKS:
DRP Para 51 B(4)
LGM Exh 3 B(3)
LRP Para 52 B(4)

- Entire section replaced due to removal of Regulatory Overreach and Federal Crop Insurance Policy Provisions Final Rule (91 FR 16151)
- For 2027, refer to policies for mediation, et al, and not to GSH
- Handbooks will point to policy instead of GSH due to new GSH not being released until 6/30.
- 2028 Handbooks will point to GSH

Concealment, Misrepresentation, or Fraud

POLICIES:
DRP Sec 11(e)
LGM Sec 11(e)
LRP Sec 16(e)

Language now aligns the judicial review with the Federal Arbitration Act

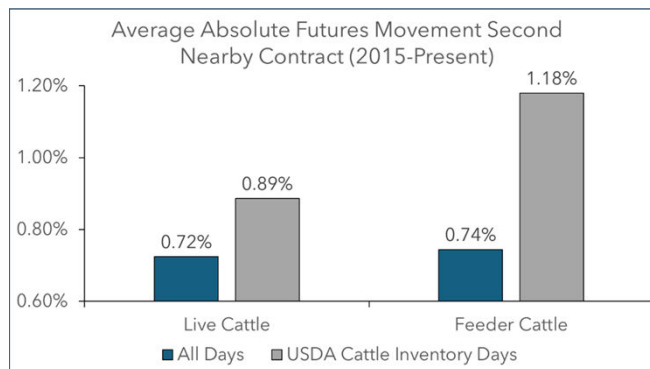
- (1) a civil fine for each violation not to exceed the maximum amount specified in 7 CFR 3.91 (b)(7)
 - This reference is out of the LRP, DRP, and LGM policies
 - The policy provides the authority to penalize
- 7 CFR 3.91 (b)(7) specifies that a maximum penalty for concealment, misrepresentation, or fraud is \$3,592
 - CFR is the Code of Federal Regulations and covers all USDA regulations
 - Provides the penalty schedule for the penalty identified in the policy

Added Sales Suspension

LGM Cattle Pol Sec 2(n)
LRP Pol Sec 4(e)(2)

LRP ISH Para 22 B(8)

No LGM Cattle or LRP Fed or Feeder Cattle sales when the USDA **Cattle Report** (aka Cattle Inventory Report) is published



Commodity Exchange Endorsements

- Added Pricing Months
 - LGM Cattle and Swine (*N/A Dairy*)
 - Clarifies which contract month is used to set prices for inputs
 - Swine – corn and soybean meal for farrow-to-finish, finishing feeder, and SEW operations
 - Cattle – corn and feeder cattle for yearling or calf finishing
- Offer Availability – Cutoff 4:30 p.m. Central, no change in sales window

LGM Dairy Sales Period

The Sales Period begins on the Thursday of the week when the coverage prices and rates are posted on the RMA website and ends at 9:00 AM Central Time of the following calendar day

Sales will not be available for purchase if the Thursday of the sales period is a CME market holiday or if USDA releases the Milk Production, the Cold Storage, or the Dairy Products report on that date

If the expected milk and feed prices are not available on the RMA website, LGM for Dairy Cattle will not be offered for sale for that insurance period

LGM Insurance Period

- Coverage *begins* on the first day of the first month elected for coverage

Coverage *ends* the earliest of

- The *last* month with coverage
- As otherwise stated in the policy
- If the end date is Saturday, Sunday, or federal holiday, or relevant report is not available to FCIC for that day or any other day of ending period, then actual ending value will be based on most recent reports made prior to that date

LGM Dates and definitions

- **Crop year** - Twelve-month period beginning **July 1** and ending the following **June 30**, designated by the year in which it ends
- Contract Change date is **April 30th**
- Any changes in policy provisions, amounts of Insurance, premium rates, and program dates will be provided by us to your crop insurance agent not later than the contract change date
- You may view the documents or request copies from your crop insurance agent
- This is a **continuous policy** and will remain in effect for each crop year following the acceptance of the original application until canceled by you in accordance with the terms of the policy **or** terminated by operation of the terms of the policy or by us.

LGM- Coverage Not Available

Coverage is not available for purchase...

- If expected gross margins are not available on RMA website
- In instances of news report, announcement, or other event that is believed to result in market conditions significantly different than those used to rate LGM program
- Insufficient underwriting capacity (Dairy)
- FCIC's UCM web site is NOT operational
- If the insured already has insurance (either LRP or LGM) on the commodity
 - An insured can have both an LGM and LRP policy; however, an insured may not insure the same class of livestock with the same end month or have the same insured livestock insured under multiple policies

LGM sales will resume, after a halting or suspension in sales at discretion of Manager of RMA

For subsequent insurance periods, coverage will only be effective if

- Insurance provider issues a written summary of coverage to the insured

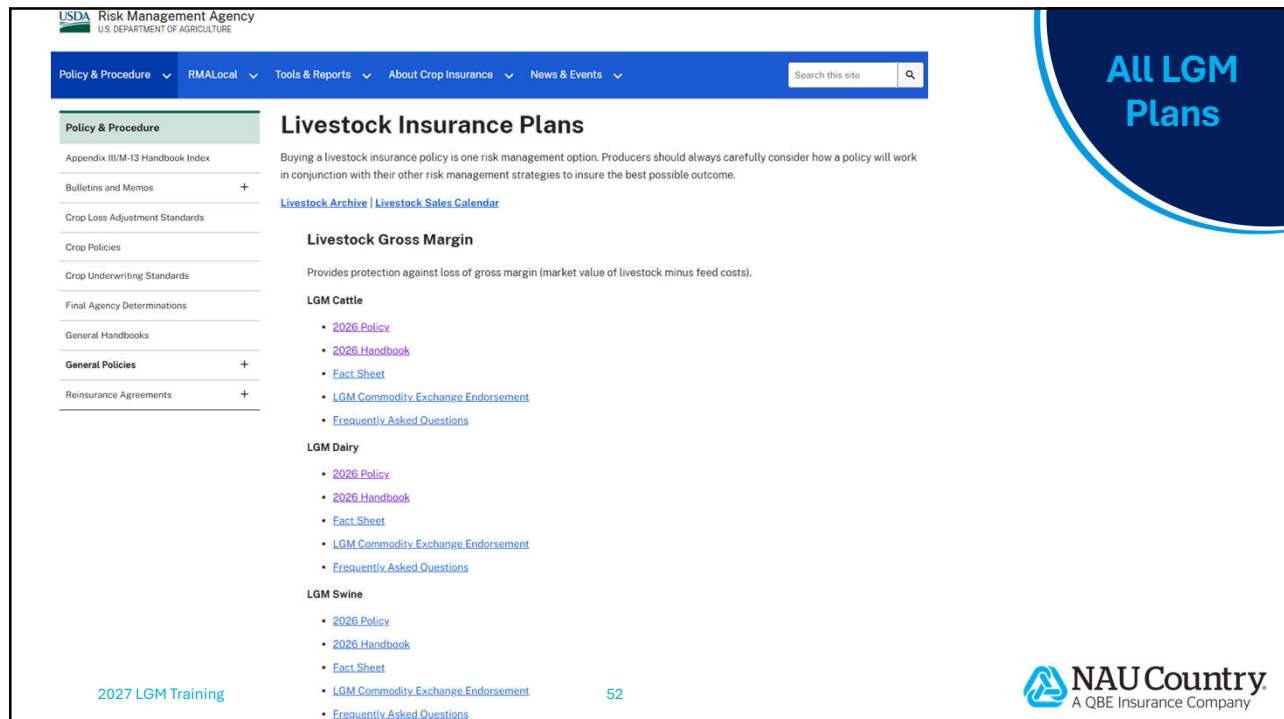
LGM Coverage Suspended

Sales of LGM may be suspended if extraordinary events occur that interfere with effective functioning of corn, soybean meal, or commodity markets

Evidence of such events may include, but is not limited to consecutive

- Limit down moves in futures markets of:
 - Lean Hogs,
 - Live Cattle
 - Class II Dairy Milk
- Limit up moves in futures markets of:
 - Corn and soybean meal contracts
 - Feeder Cattle

Note: In force policies will not be affected by such circumstances



The screenshot shows the USDA Risk Management Agency website. The top navigation bar includes "Policy & Procedure", "RMALocal", "Tools & Reports", "About Crop Insurance", and "News & Events". A search bar is located on the right. The main content area is titled "Livestock Insurance Plans" and includes a sub-header "Livestock Gross Margin" with a description: "Provides protection against loss of gross margin (market value of livestock minus feed costs)." Below this, there are sections for "LGM Cattle", "LGM Dairy", and "LGM Swine", each with a list of links for "2026 Policy", "2026 Handbook", "Fact Sheet", "LGM Commodity Exchange Endorsement", and "Frequently Asked Questions". A sidebar on the left lists various policy documents. A blue curved banner on the right side of the page reads "All LGM Plans".

LGM Record Retention

Recordkeeping Obligations

- Insured producers must retain all required records for a minimum of three (3) years following the end of the insurance period
- This requirement also applies to records used to establish the basis for each insurance period's marketing report

Why this matters

- Records are used to verify eligibility and calculate indemnities
- Proper documentation is a condition of the policy, not optional

Consequences of Non-Compliance

- Failure to maintain required records will result in no indemnity being paid
- Since denial of an indemnity is based on breach of policy,
 - ✓ The insured will still be required to pay all premiums owed
 - ✗ No indemnity being paid

- For LGM Cattle and Swine The AIP's information technology system must receive the SCE by 8:25 a.m. (CST), the end of the sales period
- For LGM Dairy The AIP's information technology system must receive the SCE by 9:00 a.m. (CST), the end of the sales period



LGM – SCE Submission Times

- RMA has provided specific clarity regarding AIP's timely receiving of the SCE forms.

- The AIP will accept a signed SCE if received by the AIP's information technology system after the end of the sales period, provided the following are met:

- The SCE was signed by the agent and the insured during the sales period, and proof of the time of signature is provided
- The information from the SCE was keyed into the AIP's information technology system, and the AIP received the SCE's data by the end of the sales period
- The AIP receives a copy of the completed, signed SCE no later than 10:30 a.m. (CST) immediately following the end of the sales period (Proof of time of signature must be digitally time-stamped)

LGM Receiving SCE Forms

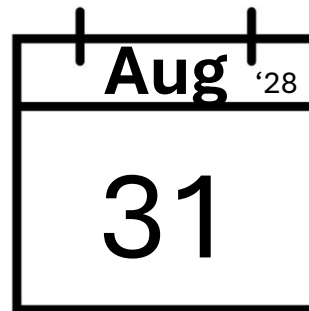
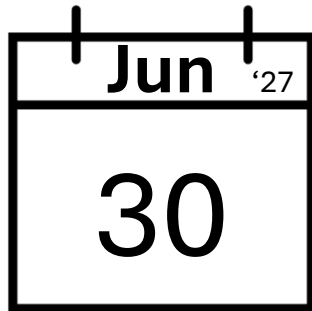
- The AIP may accept the SCE if:

- The SCE is received by the AIP's information technology system after 10:30 a.m. (CST) immediately following the end of the sales period, provided all criteria on the previous slide have been met
 - The AIP receives a copy of the completed, signed SCE no later than 12:00 noon (CST) immediately following the end of the sales period
 - A valid reason for the delay will be required
 - Example of valid reason: The NAU Country system experienced an interruption of service, and you are unable to upload the form
 - If the SCE form is not received by the end of the sales closing period, it must be received no later than 10:30 a.m. (CST) and have digitally stamped proof of time of signature by both the agent and insured
- No exceptions are allowed beyond 12:00 noon (CST), and coverage will be removed

LGM Receiving SCE Forms

LGM - Termination Date

- The Cancellation Date for the policy is June 30 and the Termination Date for the policy is August 31 of the year **following** the cancellation date as stated in the actuarial documents.
- For example, a 2027 policy with a cancellation date of June 30, 2027, would have a termination date of August 31, 2028



LGM Ineligibility

Section 2 sheds light on that neither an application for a new LGM policy nor new SCEs on an existing policy will be approved after the date the insured becomes ineligible for crop insurance

If an insured is ineligible under the policy or under any Federal Statute or Regulation

- The application for a new policy will not be approved by the AIP
- No new SCEs will be approved on an existing policy after the date of ineligibility
- An existing policy will terminate in accordance with 7 Code of Federal Regulations part 400, subpart U, unless otherwise provided for in the Basic Provisions

LGM - Errors in offers of insurance

21i Correction of Errors

RMA added language to address clear and obvious errors in offers of insurance:

- If RMA is notified there has been a clear and obvious error made in any offers of insurance, such as but not limited to premiums announced that are significantly lower than those for any previous offer, and the error is discovered after acceptance of the SCE endorsement by the RMA system:
- AIP's must inform insureds with properly and timely executed SCE's that are affected within 5 business days. If not provided by electronic means, the date the notice is mailed must be within 5 business days of when the AIP was notified of the error.
- Insureds must notify the AIP within 5 business days of receiving the notice and confirm they wish to maintain coverage under the corrected terms. If corrections do not affect the information on the SCE, AIP's may accept any communication from the insured as notice the insured wishes to retain previously purchased coverage.

Example: The AIP's signed SCE form contains expected prices but not premium. If originally issued actuarial records result in incorrect premium, but expected prices are unaffected by the error, the SCE form does not contain any errors and does not need to be executed again. If any information on the SCE is affected by the error, the SCE must be executed again with corrected information within 5 business days after the insured receives the notice of error, even if the information affected is not a substantive field on the SCE form.

LGM Other Errors

Language in Section 21 of the policy clarifies the types of corrections that must be made to SCEs within **14 calendar days** after the effective date and when the corrected SCE must be dated

- Any correction to a SCE that would affect the premium, liability or record requirements must be made within 14 calendar days after the effective date, and the request must be accompanied by the timely signed SCE and supporting documentation
- Supporting documentation must be dated prior to the end of the SCE sales period and demonstrate a clear and inadvertent error was made

LGM Brokerage Records

If USDA initiates a review of a potential violation of section 3:

- The insured must provide all brokerage records for any crop year in which they obtained coverage under this policy
- Records of transactions made under private contracts not traded on regulated commodity exchanges may also be requested if such transactions are based on, or a function of potential or realized indemnities for SCEs
- The insured must provide the names of all brokers and persons with whom they have private contracts described in section 18(e)(1), if any

The following terms and conditions apply to all requests for records or assistance under subsection 18(e)(1):

- Request for brokerage records or records of private transactions must be limited to those dates on which a potential violation might have occurred
- Request for brokerage records or records of private transactions may be extended to SBIs, and to any entity in which such persons have a substantial beneficial interest
- If the insured refuses to comply with any requests for records and information, they will be in breach of this policy, indemnity will be denied for all SCEs for the crop year and all premiums will still be owed

LGM Brokerage Records

When requesting brokerage records, the AIP must:

- Not request brokerage records unless expressly requested to do so by the RMA
 - Provide the insured an option to submit the brokerage records in such a way that the agent serving the policy does not have access to those brokerage records or names of the insured's brokers or other applicable persons
 - Assist RMA in obtaining brokerage records, as specified by RMA, for the insured and their SBI holders, and any entity in which those SBIs have a substantial beneficial interest
 - Request the full text of any private contract not traded on regulated commodity exchanges under which the insured or their SBI persons directly or through entities in which those SBIs have a substantial beneficial interest promise to pay to the counterparty an amount equal to or calculated based on the indemnities received under any SCEs
 - Inform RMA if the insured has refused to provide names of their brokers or applicable persons or has otherwise failed to cooperate with providing the brokerage records. If RMA determines and informs the AIP that the insured has failed to cooperate with the review, the AIP must deny indemnity to the insured for all SCEs for which the notice of probable loss would be sent after the date the RMA determination is made.

LGM Single Payee and Assignee

Section 13 of the LGM Policy added language which lays out the requirements necessary for a payment to be assigned to a single payee as well as clarification of Assignee responsibilities

If we have received the properly executed assignment of indemnity form:


- Only one payment will be issued jointly in the names of all assignees and you, unless all assignees and you agree in writing for the payment to be issued to a single payee; and
- Any assignee will have the right to submit all loss notices and forms as required by the policy if you fail to do so. If you have suffered a loss from an insurable cause and fail to submit a claim for indemnity within the period specified in section 7(a):
- An assignee may submit the claim for indemnity not later than 15 days after the period for filing a claim has expired
 - No indemnity will be paid if we determine that we do not have the ability to accurately adjust the loss for any claim for indemnity. You or any assignee may not dispute the determination. If an assignee submits a notice of loss or claim for indemnity because of your failure to timely do so, the assignee assumes any rights and responsibilities you may have under section 19 to dispute determinations related to the notice of loss or claim for indemnity, except for determinations made in accordance with section 13(d)(2)(ii).

Quiz

Click the **Quiz** button to edit this object


LGM protects against loss of gross margin between which two components?

- Production and yield
- Commodity price and feed cost
- Livestock weight and market timing
- Revenue and subsidies

 60 sec to answer


LGM Dairy





Step-by-Step Logic
Behind Converting 1 CWT of Milk to Gallons

STEP	DESCRIPTION	VALUE USED
1	Define one hundredweight (CWT)	1 CWT = 100 pounds
2	Use standard weight of milk	1 gallon of milk ≈ 8.6 pounds
3	Divide total pounds by pounds per gallon	$100 \div 8.6$
4	Final volume of milk	≈ 11.6 gallons



Milk is often priced per CWT. There are about 11.6 gallons in a CWT of milk.

Custom illustration created for training purposes

Dairy producers quantify the milk their cows produce in units of measurement called "Hundredweights." The abbreviation is "CWT"

LGM Dairy – CWT to Gallons Conversion

LGM Dairy General Economics

Dairy Operation

- Average operation = 187 cows
- Average annual milk production per cow = 210 cwt
- 187 COWS x 210 cwt = 39,270 cwt/year
- 39,270 cwt / 12 = 3,272 cwt/month
- 3,272 cwt/Mo x \$17.00 CME = \$55,624 revenue/month

End Consumer

- 1 cwt = 11.63 gallons
- Avg cost / gallon of milk = \$3.50
- 11.63 gal x \$3.50 = \$40.71 cost/cwt
- \$40.71 cost/cwt x 3,272 cwt/Mo = \$133,186 cost/Mo

Dairy Processing Factory

- The difference between \$133,186 and \$55,624 = \$77,562
- This amount is comprised of the profit and costs of the processing company

LGM Dairy Profit Margin

- Producers' monthly profit margin is what Livestock Gross Margin is designed to protect
- Income from selling milk is the profit: \$55,624
- Cost of feeding the cows is the expense: \$33,992
- The difference is the **MARGIN** (*Hence the name, Livestock Gross Margin*)
- \$55,624 - \$33,992 = \$21,632 of profit

LGM Dairy – Cost of Doing Business

Like any farm, generating \$55,624 of monthly profit on a dairy farm isn't free

- There are many costs involved, and probably the most immediately related to the production of the milk is the feeding of the cows
- How much does it cost to feed a cow each month on average? We will get into that specifically later, but let's say for example it costs \$11 to pay for enough feed to produce one CWT of milk
- 3,272 CWT per month (average farm production)
- $3,272 \times \$11$ (average feed cost per CWT) = \$35,992 monthly feed expense



LGM Dairy – Expecting vs Verifying

- The **only peril** that LGM Dairy protects against is the profit margin shrinking because milk turns out to be worth less in the future than we expect now, and/or feed turns out to be more expensive in the future than expect now
- **Expect** is the key word. If we assume our farmer is milking year-round, conditions are most favorable for his business if milk prices stay high and feed costs stay low in the present and the future.
- To give our farmer a prediction of his revenue and costs - the CME projects how much one CWT of milk will be worth in the months down the road, and the Chicago Board of Trade projects how much feed will cost.

LGM Dairy – Full Coverage vs. Deductible

- LGM is an insurance policy. And almost all insurance policies have a deductible of some kind
- LGM for Dairy has a deductible that operates like this: \$0 - \$2 (per CWT) in ten cent increments

Example:

If 327 CWT are produced in a month and the insured chooses a \$1.00 deductible this will then apply to every month chosen for coverage

Calculation: $327 \times \$1.00 = \327 deducted from the total margin of \$1,636

- $\$1,636 - \$327 = \$1309$ (The protected margin for that one month)

LGM Dairy – Choices!

- The producer will **choose what months** to insure their milk
 - This can be anywhere from one to ten months during each sales period
- Producer will also decide **how many CWT** in milk to insure each month
- **How much feed** to include in the margin?
 - Feed inclusion plays a significant role in determining both the margin and the resulting rate. When higher feed amounts are included in the calculation, input costs increase, which reduces the overall margin and leads to a lower rate. Conversely, including lower feed amounts reduces expenses, allowing for a larger margin and, in turn, a higher rate. As a result, assumptions around feed inclusion directly influence the financial outcome and should be carefully considered.
- Finally, **amount of deductible** anywhere from **\$0.00 to \$2.00**

LGM Dairy – Producer Choose

	November	December	January	February	March
Milk to Insure	1,000 Cwt	10	0	0	0
Corn Fed	18.00 Tons	.18	0	0	0
Soybean Meal Fed	2.5 Tons	.25	0	0	0

LGM Dairy Insurance Period

November	Sign up with SCE
December	BLACK OUT MONTH
January	1,000 CWT
February	10 CWT
March	0
April	0
May	0
June	0
July	0
August	0
September	0
October	0

Example: November Sales Period
Blackout Month: No milk can be insured

10-month Coverage Period
You choose which months to insure and you can skip months


LGM Dairy- Benefits


- Any producer who owns dairy cattle in any of the states is eligible for Livestock Gross Margin for Dairy Cattle Insurance coverage
- LGM Dairy does not insure against dairy cattle death loss, unexpected decreases in milk production, unexpected increases in feed use, or in other loss or damage of any kind whatsoever
- Neither the price the producer pays for feed nor receives for milk at the local market level is used to determine gross margins
- If insured's feed rations include protein and energy sources other than corn and soybean meal, their margins will still be determined using corn and soybean meal


LGM Dairy – Additional Benefits

- **Convenience** - Producers can sign up for LGM twelve times per year
 - The producer does not have to decide on the mix of options to purchase, the strike price of the options, or the date of entry
- **Customization** - The LGM policy can be tailored to any size farm
 - Options cover fixed amounts of commodities, and those amounts may be too large to be used in the risk management portfolio of some farms
- **Subsidy** – LGM Dairy provides a premium subsidy ranging from 18% to 50%, depending on the deductible level selected, with a minimum of two months of coverage required

LGM Dairy- Margin Math

 **Milk Revenue** = Amount of milk (**x**) Class III Milk Futures Price

 **Feed Costs** = Amount of corn (**x**) Corn Futures Price (**+**) Amount of soybean meal (**x**) Soybean Meal Futures Price

 **Expected Gross Margin** = Milk Revenue (**-**) Feed Costs

This is performed to get your profit margin for each individual month the producer decides to purchase coverage

Gross Margin Guarantee =

Total of all Expected Gross Margins (**-**) (Deductible (**x**) Amount of milk)

LGM Dairy – How much feed?

LGM Dairy is assumed that we use:

- Corn for the Energy source
- Soybean Meal (SBM) for the Protein source
- This is done because Corn and SBM are commonly used as feed, and can be tracked on the CBOT. The amount of feed declared will affect the margin.

Note: The more feed it Takes to produce the milk, the more expensive it gets, reducing the amount of profit kept. A more efficient operation will spend less on feed and keep more revenue.

LGM Dairy – How much Feed?

The LGM policy was set up to use corn/soybeans because they are common crops, with values easily tracked on publicly traded markets. However, many operations use other sources of feed. It's important to note that unlike milk production, *there is no auditing of declared feed use*; we simply need the producer to select a level of feed to set the bottom half of the margin. What is indicated by the producer on the LGM application need not reflect actual feed use.

There are options:

1. Use the default level of corn/soybean meal as defined in the policy. LGM assumes it takes this amount to produce one CWT of milk:
 - Corn: 0.014 tons (0.5 bushels)
 - SBM: 0.002 tons (4.0 pounds)
2. OR - you can choose anything in this range:
 - Corn: 0.00364 - 0.0381 tons (0.13 - 1.36 bushels)
 - SBM: 0.000805 - 0.013 tons (1.61 - 26 pounds)
3. You can use the chart on the following page to convert your other sources of feed to equivalent amounts of corn and soybean meal. The previous chart is only a suggestion of conversion amounts.

LGM Dairy – Producer Chooses

- Which of the 10 months to insure the milk in
- How much milk to insure in each month
- How much feed to include in the margin each month
- Deductible size

RECAP

LGM Dairy – Premium

- **Timing of premium payment** - Premium for LGM Dairy is due at the end of the coverage period rather than at the time of purchase
- **Premium Billing Date** - The Premium Billing Date is the First day of the Second month following the last month of the insurance period in which you have target marketings, (or the Billing Date in the AD whichever is *Earliest*)

November	Sign up with SCE
December	BLACK OUT MONTH
January	1,000 CWT
February	10 CWT
March	0
April	0
May	0
June	0
July	0
August	0
September	0
October	0

LGM Dairy- Reasons for Multiple Months

You may have wondered why the example had only two months out of the ten available covered. You also may have wondered why the second month only had 10 CWT selected. Here's the likely reason that would occur:

A premium subsidy will be available for those policies that market in Two or more months during the insurance period. We refer to this as "Pooled Coverage."

In the case of Pooled Coverage, the subsidy amount will be determined by a dollar deductible selected by the policyholder

Deductible ranges from \$0 to \$2 in \$0.10 increments.

If only One month is insured, there is No subsidy. This is referred to as "Un-pooled Coverage"

LGM Dairy – Subsidy Example

Deductible Amount	Pooled Subsidy (%)	Un-Pooled Subsidy (%)
\$0.00	18%	0%
\$0.10	19%	0%
\$0.20	21%	0%
\$0.30	23%	0%
\$0.40	25%	0%
\$0.50	28%	0%
\$0.60	31%	0%
\$0.70	34%	0%
\$0.80	38%	0%
\$0.90	43%	0%
\$1.00	48%	0%
\$1.10 - \$2.0	50%	0%

LGM Dairy – Specific Coverage Endorsement

Specific Coverage Endorsement- An endorsement to the policy purchased by you during the crop year necessary to provide coverage that includes information about the insurance period, coverage options and target marketings.

An SCE must be submitted on our form within the Sales Period for each insurance period in which you desire coverage, there can be multiple SCE's for the same insurance period, same months in the insurance period and the same sales closing date but they cannot cover the same milk.

LGM Dairy – Specific Coverage Endorsement

The Specific Coverage Endorsement must include the following information as applicable:

- Your deductible amount
- Your target marketing for every month within the insurance period you desire coverage
- The practice/ insurance period
- The effective date of coverage
- The tons of corn and tons of soybean meal for every month within the insurance period in which you desire coverage

Policy Application/Transfer/Change Form and Specific Coverage Endorsement

Livestock Gross Margin Insurance - Dairy Cattle

Applicant Information		Reinsurance Year: 2026	Agency Information		Policy Information		
Name: Joyful Dairy	ID #: 11-333333	Year: 2026	Agency Code: 12-121212	Policy Number: 123456			
In Care Of:	ID # Type: <input type="radio"/> SSN <input type="radio"/> EIN <input type="radio"/> RAN	State: OH	Agency Name: Lactation Station Agency	Agent Name: Bob Whey			
Address: 123 Heifer Road			Address: 45 Swiss Cheese Rd	City, State, Zip: Yogurt, OH 45678			
City, State, Zip: Bull, OH 88451			Phone #:	Fax #:			
Person Type: Limited Liability Co. (LLC)			Email Address:				
State in which articles of incorporation/organization are held: OH							
Phone #:	Fax #:						
Email Address: Overthem00nDairy@gmail.com							
Spouse's Name:	Spouse's ID #:						
Is applicant at least 18 years old? <input checked="" type="radio"/> Yes <input type="radio"/> No	Name of Parent or Guardian:						
Other Changes <input type="checkbox"/> Add or Remove SBI <input type="checkbox"/> Add/Change/Correct Insured's Authorized Rep. <input type="checkbox"/> Correct the spelling of SBI's Name(s)		<input type="checkbox"/> Correct insured's identification number <input type="checkbox"/> Correct SBI's identification Number <input type="checkbox"/> Correct spelling of insured's name <input type="checkbox"/> Change/correct insured's address		Reasons for Cancellation (Fill One) <input type="radio"/> Mutual Consent <input type="radio"/> Death, Incompetence, or Dissolution <input type="radio"/> Insured's Request <input type="radio"/> Other			
SBI Information: All persons with a substantial beneficial interest in you as defined in the applicable policy provisions							
Name	Address	City, State, Zip	Telephone	ID Number	ID Type	Person Type	Share
Jon Smith	55 Cottage Cheese St	Large Curd, OH 12345		111-11-1111	SSN	Individuals	50
Jane Jersey	45 Holstein Rd	Sure-bet, OH 23456		112-11-1114	SSN	Individuals	50
Please complete a SOCIAL SECURITY NUMBER AND EMPLOYER IDENTIFICATION NUMBER REPORTING form for additional substantial beneficial interest entities when applicable.							
Crop Year	County	Commodity: livestock or livestock product to be insured					
2026	Brown Swiss	<input type="checkbox"/> Cattle <input checked="" type="checkbox"/> Dairy Cattle <input type="checkbox"/> Swine <input type="checkbox"/> Cattle <input type="checkbox"/> Dairy Cattle <input type="checkbox"/> Swine <input type="checkbox"/> Cattle <input type="checkbox"/> Dairy Cattle <input type="checkbox"/> Swine					

The Application is required, please key and submit timely



Policy Application/Transfer/Change Form and Specific Coverage Endorsement
Livestock Gross Margin Insurance - Dairy Cattle



Insured's Name: Joyful Dairy		Agency Code: 12-121212	Agency Name: Lactation Station Agency	Policy #: 123456																															
List All Covered Marketings																																			
End. #	1	County: Brown Swiss	Practice/Insurance Period: Nov.-Sep.	Effective Date: 10/30/25																															
				Shareholder Name:																															
Target Marketings and Feed by Month (Enter Month)																																			
	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Deductible (\$/cwt)																								
	December	January	February	March	April	May	June	July	August	September																									
Hundredweight of Milk	0	15000	250	0	0	0	0	0	0	0																									
Tons of Corn	0	54.60	.910000	0	0	0	0	0	0	0																									
Tons of Protein Meal	0	12.07	.201250	0	0	0	0	0	0	0																									
End. #		County:	Practice/Insurance Period:	Effective Date:							Shareholder Name:																								
					Target Marketings and Feed by Month (Enter Month)																														
	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Deductible (\$/cwt)																								
Hundredweight of Milk																																			
Tons of Corn																																			
Tons of Protein Meal																																			
<input checked="" type="checkbox"/> The AD-1026 form has been filed with the FSA office for compliance with the Highly Erodible Land Conservation (HELIC) and Wetland Conservation.																																			
Remarks:																																			
Authority to sign crop insurance documents on behalf of the Insured I grant the person(s) listed below the authority to sign any and all crop insurance documents on my behalf. I understand that by authorizing such persons to sign documents on my behalf I am legally bound by all terms and conditions of such documents and of the crop insurance contract. I also understand that granting the following person(s) the authority to sign on my behalf does not obligate that person(s) to the terms and conditions of my crop insurance contract. I further understand that this authorization may be revoked by me at any time upon written notice, signed and delivered to my Approved Insurance Provider.																																			
<table border="1"> <thead> <tr> <th>Name</th> <th>Address</th> <th>Telephone</th> <th>Grant</th> <th>Remove</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </tbody> </table>												Name	Address	Telephone	Grant	Remove				<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>	<input type="checkbox"/>									
Name	Address	Telephone	Grant	Remove																															
			<input type="checkbox"/>	<input type="checkbox"/>																															
			<input type="checkbox"/>	<input type="checkbox"/>																															
Power of Attorney/Authorized Representative																																			
<table border="1"> <thead> <tr> <th>County/Crop/Type</th> <th>Date</th> <th>Name</th> <th>Address</th> <th>Grant</th> <th>Remove</th> </tr> </thead> <tbody> <tr> <td>Brown Swiss/ Cattle/ Dairy</td> <td>01/01/99</td> <td>Jane Jersey</td> <td>45 Holstein Rd</td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </tbody> </table>												County/Crop/Type	Date	Name	Address	Grant	Remove	Brown Swiss/ Cattle/ Dairy	01/01/99	Jane Jersey	45 Holstein Rd	<input checked="" type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/>	<input type="checkbox"/>
County/Crop/Type	Date	Name	Address	Grant	Remove																														
Brown Swiss/ Cattle/ Dairy	01/01/99	Jane Jersey	45 Holstein Rd	<input checked="" type="checkbox"/>	<input type="checkbox"/>																														
				<input type="checkbox"/>	<input type="checkbox"/>																														
				<input type="checkbox"/>	<input type="checkbox"/>																														

Policy Application/Transfer/Change Form and Specific Coverage Endorsement
Livestock Gross Margin Insurance - Dairy Cattle



Insured's Name: Joyful Dairy		Agency Code: 12-121212	Agency Name: Lactation Station Agency	Policy #: 123456
Conditions of Acceptance: This Application is accepted and insurance attaches in accordance with the policy unless: (1) The Federal Crop Insurance Corporation determines that, in accordance with the regulations, the risk is excessive; (2) any material fact is omitted, concealed or misrepresented in this Application or in the submission of this Application; (3) you have failed to provide complete and accurate information required by this Application; or (4) the answer to any of the following questions is "yes." An answer of "yes" to these questions does not automatically result in rejection of the Application. For example, if you answer "yes" to question (a) but your debt was discharged in bankruptcy, the Application would not be rejected.				
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	(a) Are you now indebted and the debt is delinquent for insurance coverage under the Federal Crop Insurance Act?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	(d) Are you disqualified or debarred under the Federal Crop Insurance Act, the regulations of the Federal Crop Insurance Corporation, or the United States Department of Agriculture?
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	(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?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	(e) Have you ever entered into an agreement with the Federal Crop Insurance Corporation or with the Department of Justice that you would refrain from participating in programs under the authority of the Federal Crop Insurance Act and that agreement is still effective?
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	(c) Have you ever had insurance coverage under the authority of the Federal Crop Insurance Act terminated for violation of the terms of the contract or regulations, or for failure to pay your delinquent debt?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	(f) Do you have like insurance on any of the above livestock? AIP: _____ Policy Type: DRP LGM LRP Policy Number: _____
I understand that if coverage for any livestock is currently terminated or would have subsequently terminated for indebtedness had this Application been filed after the termination date, no coverage can be provided and I am ineligible for any benefits under the Federal Crop Insurance Act until the cause for termination is corrected.				
We will notify you of rejection by depositing notification in the United States mail, postage paid, to the applicant's address. Unless rejected or the sales closing date has passed at the time you signed this Application, insurance shall be in effect for the livestock and crop years specified and shall continue for each succeeding crop year, unless otherwise specified in the policy, until canceled, terminated or voided. The insurance contract, which includes the accepted Application, is defined in the regulation published at 7 CFR chapter IV. No term or condition of the contract shall be waived or changed unless such waiver or change is expressly allowed by the contract and is in writing.				
Transfer & Cancellation				
Name of Previous Ceding AIP (if any):		Policy # Under Previous AIP (if any):		
I hereby authorize and direct the Ceding Approved Insurance Provider shown above to furnish any information relative to my insurance policy to the Assuming Approved Insurance Provider listed below. I understand that if coverage for any crop(s) is now terminated or would have subsequently terminated for indebtedness had this transfer not occurred, no coverage can be provided by the NAU Country Insurance Company.				
I hereby request cancellation of my crop insurance policy for the crop(s) and crop year shown on this cancellation. I understand that if this form is not executed on or before the cancellation date for any crop year listed, the cancellation of insurance on such crop(s) will not become effective until the following crop year.				
Part I		Part II		
I hereby request cancellation of my insurance policy with the above Ceding Approved Insurance Provider for the crop(s) and crop year(s) specified above because I have applied for insurance with another Approved Insurance Provider. I understand that if this form is not executed on or before the established cancellation date for any crops listed, the cancellation of insurance on such crop(s) will not become effective until the following crop year.		By submission of this form, we agree to provide crop insurance to this applicant for the crop(s) and crop year specified above unless this form is not executed on or before the established cancellation date for any of the crop(s) shown, in which case insurance will be provided for such crop(s) for the following year.		
Name of Assuming Agent:		Date of acceptance by Assuming Approved Insurance Provider:		Assuming AIP & Policy Issuing Company Code:
Address, City, St., Zip:				
AIP Representative Printed Name and Signature: _____				

Policy Application/Transfer/Change Form and Specific Coverage Endorsement
Livestock Gross Margin Insurance - Dairy Cattle



Insured's Name: Joyful Dairy Agency Code: 12-121212 Agency Name: Lactation Station Agency Policy #: 123456

COLLECTION OF INFORMATION AND DATA (PRIVACY ACT) STATEMENT - Agents, Loss Adjusters and Policyholders

The following statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a); The Risk Management Agency (RMA) is authorized by the Federal Crop Insurance Act (7 U.S.C. 1501-1524) or other Acts, and the regulations promulgated thereunder, to solicit the information requested on documents established by RMA or by approved insurance providers (AIPs) that have been approved by the Federal Crop Insurance Corporation (FCIC) to deliver Federal crop insurance. The information is necessary for AIPs and RMA to operate the Federal crop insurance program, determine program eligibility, conduct statistical analysis, and ensure program integrity. Information provided herein may be furnished to other Federal, State, or local agencies, as required or permitted by law, law enforcement agencies, courts or adjudicative bodies, foreign agencies, magistrate, administrative tribunal, AIP's contractors and cooperators, Comprehensive Information Management System (CIMS), congressional offices, or entities under contract with RMA. For insurance agents, certain information may also be disclosed to the public to assist interested individuals in locating agents in a particular area. Disclosure of the information requested is voluntary. However, failure to correctly report the requested information may result in the rejection of this document by the AIP or RMA in accordance with the Standard Reinsurance Agreement between the AIP and FCIC, Federal regulations, or RMA-approved procedures and the denial of program eligibility or benefits derived therefrom. Also, failure to provide true and correct information may result in civil suit or criminal prosecution and the assessment of penalties or pursuit of other remedies.

NON-DISCRIMINATION POLICY STATEMENT

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident. 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 Agency 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 may be made available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at www.usda.gov/about-usda/general-information/staff-offices/office-assistant-secretary-civil-rights/how-file-program-discrimination-complaint and 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) 6329992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.

CERTIFICATION STATEMENT

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

INSURED'S CERTIFICATION AGAINST SUBSIDY CAPTURE

I certify that I will not offset any insurance provided under this specific coverage endorsement through livestock contracts traded on commodity exchanges or with other means for the purpose of subsidy capture, and I acknowledge that if I violate this certification, I may be subject to administrative, civil or criminal sanctions.

AGENT'S CERTIFICATION AGAINST SUBSIDY CAPTURE

I certify that I have not advised or assisted in any way with the purchase of any livestock contracts to offset insurance provided under this specific coverage endorsement for the purpose of subsidy capture, and I acknowledge that if I violate this certification, I may be subject to administrative, civil or criminal sanctions.

Insured's Name Joyful Dairy	Date <u>xx</u> / <u>xx</u> / <u>xxxx</u>	Agent's Name Bob Whey	Date <u>xx</u> / <u>xx</u> / <u>xxxx</u>
By Insured's Signature <i>Jane Jersey</i>	<i>POA</i> Title (if applicable)	Agent's Signature <i>Bob Whey</i>	

Proof of time of signature is substantive for SCE received by the AIP after the end of the sales period.

2025.11.LGMDL

Created Date: 2025-05-19 17:58:56

E-mail to: documents@naucountry.com

Fax to: 763-233-4400



Page 4 of 4

LGM Dairy – Expected Prices

We know our first step is determining how much milk and feed are to be covered, and in which months

Then we need to determine what the expected gross margins are for those months (milk value over feed costs). We gave some rough examples (\$17 / cwt of milk, \$11 for corn/soybean meal)

But how do we determine the real expected corn and soybean meal prices? We look at the Chicago Mercantile Exchange futures contracts

For expected milk prices we go to the Chicago Mercantile Exchange and look at Class III milk futures contracts



LGM Dairy Expected Prices

- **Expected milk price:**

The daily settlement price of the CME Group Class III milk futures contract on the effective date

- **Expected corn and soybean meal prices for months in which a group contract expires:**

The settlement price for the CME group futures contract for the month on the effective date

- **Expected corn and soybean meal prices for other months:**

The daily settlement price for the succeeding contract month on the effective date



Example: April corn prices will use preliminary CME corn futures daily settlement prices for the contract month of May, observed on the effective date

LGM Dairy – Expected Prices

❖ **Remember** – we are insuring a margin in up to 10 months, and each month is considered on its own

If we sign up in January, we will need to determine a completely different margin in each of March, April, May.... it will take the same formula, but calculated with different values in each month that is covered

The Formula is:

Milk Revenue using expected prices (-) **Feed Costs** = **Expected Gross Margin**

Now, how do we get an **Expected Milk Value**?

LGM Dairy – Expected Milk Price

For a sign-up date of Thursday, September 26th

Use the daily settlement price of the CME group class III milk futures contract for the month on the effective date

LGM Dairy – Expected Feed Cost

For a sign-up date of September 26th

Use the daily settlement price for the CME Group futures contract for the month on the effective date

LGM Dairy – Lack of a Contract

JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
MILK	MILK	MILK	MILK	MILK	MILK	MILK	MILK	MILK	MILK	MILK	MILK
SOY BEAN		SOY BEAN		SOY BEAN		SOY BEAN	SOY BEAN	SOY BEAN	SOY BEAN		SOY BEAN
		CORN		CORN		CORN		CORN			

What do we do if we insure milk in months that do NOT have a feed contract?

[For Corn or Soybean meal in months without a futures contract](#)

Use the daily settlement price for the first succeeding contract month on the effective date. More information on the Commodity Exchange Endorsement - CEE

LGM Dairy – Expected Gross Margin

Expected Milk Revenue

- Expected milk price for a month times target marketings for month

Expected Cost of Feed (corn and soybean meal fed is stated in tons)

- Target corn (or corn equivalent) to be fed times 2000/56 (converting tons to bushels) times expected corn price for month, plus target protein meal (or protein meal equivalent) times expected soybean meal price for that month

Expected Gross Margin per Month

- Expected milk revenue less expected cost of feed for month

Expected Total Gross Margin

- Sum of expected gross margins per month across all months of insurance period

LGM Dairy – Margin Math

▪ 1 Month Example

On September 26th the expected prices for LGM-Dairy are:

- Expected milk price is \$16 / Cwt
- Expected corn price is \$6 / Bu
- Expected soybean meal price is \$350 / Ton

LGM Dairy – Margin Math Answers

Expected milk revenue for November is \$24,000

- 1,500 hundredweight x \$16 = \$24,000

Expected cost of feed for November is \$16,357.16

- **Corn = \$6.00**
 - 60 tons x 2000/56 = 2,142.86 bushels of corn
 - 2,142.86 bushels x \$6.00 = \$12,857.16
- **Soybean meal = 10 tons x \$350 = \$3,500**

Expected gross margin for November is \$7,642.84. The equation is $\$24,000 - \$16,357.16 = \$7,642.84$

ASSUME that we go through same process and we determine that expected gross margin for December is \$7,213.44

LGM Dairy – Margin Math #2

Expected Total Gross Margin is \$14,856.28

- November (\$7,642.84) + December (\$7,213.44) = \$14,856.28

Gross Margin Guarantee is \$14,256.28

- Sum of target marketings across all months of insurance period is 3,000 hundredweight of milk (1,500 hundredweight of milk in Nov. + 1,500 hundredweight of milk in Dec = 3,000)
- 3,000 hundred weight of milk (target marketing) X \$0.20 (deductible amount chosen by the insured) = \$600.00
- \$14,856.28 - \$600.00 = \$14,256.28

LGM Dairy Actual Prices

Soybeans and Corn:

For months in which a CME Group contract expires, the simple average of the daily settlement prices in the last three trading days prior to the first notice date for the CME Group futures contract for the month

Milk:

Class III Price for the month published by USDA AMS, Market Information Branch in the report titled the announcement of Class and Component Prices

LGM Dairy – Actual Milk and Feed

Actual prices determined as futures contracts expire over insurance contract life

- Corn and soybean meal use the **Simple Average** of daily settlement prices in the last 3 days *prior* to futures contract *first notice date*
- Milk uses the **Class III Price** for the month, published by USDA AMS, Market Information Branch in the report titled the Announcement of Class and Component Prices
 - **Corn and Soybean Meal:** contracts expire middle of the month
 - **Class III Milk:** contract expires on the last business Thursday of the month

Actual Gross Margin (AGM) = Actual Revenue - Actual Feed Costs

LGM Dairy – Determining Actual Indemnities

If Total Gross Margin Guarantee > Total Actual Gross Margin  Indemnity paid

- Total refers to sum over all insured months

If Total Gross Margin Guarantee < Total Actual Gross Margin  No Indemnity

- Market conditions more favorable than existed at sign-up
 - Higher Class III, lower feed prices or combination of

LGM Dairy Indemnities

Each month will have a different margin. There will be an expected margin for each month, and that expected margin will be compared to its own actual margin.

	Expected Margin *	Actual Margin
Month A	\$2,727.64	\$2,515.31
Month B	\$2,821.95	\$2,270.96
Month C	\$2,908.71	\$3,644.71
* After Deductible		

Over the 10 months of coverage, poor months may be offset by strong months. We calculate margin increases or losses each month, but then we combine them all together to determine if there was an aggregate loss over the whole period.

	Expected Margin*	Actual Margin	Loss in Margin
Month A	\$2,727.64	\$2,515.31	-\$212.33
Month B	\$2,821.95	\$2,270.96	-\$550.99
Month C	\$2,908.71	\$3,644.71	\$736.00
* After Deductible		Total Loss	-\$27.32

* No indemnity is paid until an overall loss can be determined after the final covered month has passed

LGM Dairy – If There is a Loss

We (AIP) will send a notice of probable loss to the insured approximately ten days after all actual gross margins applicable for the insurance period are released by RMA

The insured must submit a marketing report, within 60 days of receipt of the notice of probable loss

In the event of a loss, the producer must submit a marketing report and sales receipts showing evidence of actual marketings for each month, again within the 60 day timeline

LGM Dairy – Subsidy Capture

Any activity by the insured to derive financial gain through subsidy capture is considered abuse of the LGM program

Section 23 of LGM BPs provides a list of activities considered to be conducted for the purpose of subsidy capture that are listed below. Other activities may be determined by USDA to be subsidy capture if an investigation conclusively determines the insured exploited the difference between premium owed and the cost of a privately traded livestock contract for the primary purpose of deriving financial gain.

If the insured buys an SCE and also open a new short put option on the relevant Class III milk futures contract such that:

- The put option contract month is equal to the month for which you have declared target marketings;
- The put option is sold within 2 trading days before or 5 trading days after the SCE effective date; **and**
- At the time the insured sold the put option, the option premium (per cwt) was higher than 80 percent of the SCE premium

LGM Dairy – Subsidy Capture

If the insured buys an SCE, and also sells a call option on the relevant Class III milk futures contract, such that:

The call option contract month is equal to a calendar month for which you have declared target marketings;

- The call option is sold within 2 trading days before or 5 trading days after the SCE effective date;
- At the time the insured sold the call option, the option premium (per cwt) was higher than 80 percent of the SCE premium; and
- At the time the insured sold the call option subject to the time period in section 23(a)(2)(ii), they also opened a new long position in the underlying futures contract, such that these 2 positions jointly created a payoff schedule equivalent to selling a put option
- Any private contract not traded on regulated commodity exchanges under which uncertain future indemnities for SCEs are effectively exchanged for a certain dollar amount is presumed to be subsidy capture, and is in violation of section 3(j)

LGM Dairy Claim Process

If a loss is triggered, NAU will send 2 forms to the agent:

1. Notice of Probable Loss

- * This is completely filled in when it is sent out
- * It shows the deductible, GMG, AGM and the probable loss

2. Marketings Form

- * This form is where you indicate the actual production the producer had during the months they covered and validate it by showing the applicable receipts

Both forms need to be signed and dated by the insured and agent and returned to NAU Country along with receipts proving production

Livestock.claims@naucountry.com

This is your contact for all LGM end of coverage (loss and no loss) situations

1. Insured Information		2. Agency Information		3. Policy Information							
Name: Joyful Dairy	ID #: 11-33333	Crop Year: 2026	Code: 12-121212	Policy Number: 123456	Claim #: 001						
Address: 123 Heifer Road	Type: <input type="radio"/> SSN <input checked="" type="radio"/> EIN <input type="radio"/> RAN	State: OH	Name: Lactation Station Agency	Date Notice of Probable Loss Issued: 03/05/2026							
City, State, Zip: Bull, OH, 88451	County: BULL	Commodity: Dairy	Address: 45 Swiss Cheese Rd	Endorsement Number: 1							
Person Type: Limited Liability Co*	Plan of Ins: LGM	City, State, Zip: Yogurt, OH 45678	Phone #:	NAU Country Office (Assigned to Agency)							
Phone #:		Agent Name: Bob Whey	Fax #:	<input type="checkbox"/> NAU-CA <input type="checkbox"/> NAU-KS <input type="checkbox"/> NAU-ND							
Email Address: Overthem00nDairy@gmail.com		Email:		<input type="checkbox"/> NAU-FR <input checked="" type="checkbox"/> NAU-MN <input type="checkbox"/> NAU-NC							
Spouse's Name:		Address: 7333 sunwood dr		<input type="checkbox"/> NAU-IA <input type="checkbox"/> NAU-MT <input type="checkbox"/> NAU-WI							
Spouse's ID #:		City, State, Zip: Ramsey, MN 55303									
<p>Assignment of Indemnity? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Transfer of Coverage and Right to an Indemnity? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>											
<p>3. Assignment of Indemnity/Transfer of Right to Indemnity</p> <p>Assignee's Name: _____ Assignee's SSN / EIN (circle one and enter) _____ Telephone # _____ Fax #: _____</p> <p>Street or Mailing Address: _____ City: _____ State: _____ Zip: _____</p>											
<p>4. Indemnity Calculation</p> <p>If the actual gross margin is less than the expected gross margin, an indemnity is due.</p> <p>Insurance Period: Eleven Month Insurance Period Beginning Dec, 2025 (Month, Year)</p> <p>Effective Date: 10/30/2025</p>											
Type of Operation		Target Marketings (Enter Month)									
		Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11
		December	January	February	March	April	May	June	July	August	September
Hundredweight of Milk		0	15000	250	0	0	0	0	0	0	0
Tons of Corn		0	54.60	.91000	0	0	0	0	0	0	0
Tons of Protein Meal		0	12.07	.201250	0	0	0	0	0	0	0
Probable Indemnity											
Deductible		Gross Margin Guarantee			Actual Gross Margin			Probable Indemnity			
1.0		\$226,995.00			\$210,167.00			\$16,828.00			

Notice of Probable Loss

Livestock Gross Margin - Dairy Cattle



Insured's Name: Joyful Dairy	Agency Code: 12-121212	Policy #: 123456
Crop Year: 2026	Agency Name: Lactation Station Agency	

Authority to sign crop insurance documents on behalf of the Insured
 I grant the person(s) listed below the authority to sign any and all crop insurance documents on my behalf. I understand that by authorizing such persons to sign documents on my behalf I am legally bound by all terms and conditions of such documents and of the crop insurance contract. I also understand that granting the following person(s) the authority to sign on my behalf does not obligate that person(s) to the terms and conditions of my crop insurance contract. I further understand that this authorization may be revoked by me at any time upon written notice, signed and delivered to my Approved Insurance Provider.

Name	Address	Telephone	Grant	Remove
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>

Power of Attorney/Authorized Representative

County/Crop/Type	Date	Name	Address	Grant	Remove
Brown Swiss/ Cattle/ Dairy	01/01/99	Jane Jersey	45 Holstein Rd	<input checked="" type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Assignment of Indemnity

County/Crop/Type	Date	Name	Address	Grant	Remove
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Transfer of Coverage and Right to an Indemnity

County/Crop/Type	Date	Name	Address	Grant	Remove
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

2025.10.NOLD.L

documents@naucountry.com Fax to: 763-233-4400



Page 2 of 3

Notice of Probable Loss

Livestock Gross Margin - Dairy Cattle



Insured's Name: Joyful Dairy	Agency Code: 12-12121212	Policy #: 123456
Crop Year: 2026	Agency Name: Lactation Station Agency	

Remarks:

COLLECTION OF INFORMATION AND DATA (PRIVACY ACT) STATEMENT - Agents, Loss Adjusters and Policyholders

The following statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a): The Risk Management Agency (RMA) is authorized by the Federal Crop Insurance Act (7 U.S.C. 1501-1524) or other Acts, and the regulations promulgated thereunder, to solicit the information requested on documents established by RMA or by approved insurance providers (AIPs) that have been approved by the Federal Crop Insurance Corporation (FCIC) to deliver Federal crop insurance. The information is necessary for AIPs and RMA to operate the Federal crop insurance program, determine program eligibility, conduct statistical analysis, and ensure program integrity. Information provided herein may be furnished to other Federal, State, or local agencies, as required or permitted by law, law enforcement agencies, courts or adjudicative bodies, foreign agencies, magistrate, administrative tribunal, AIP's contractors and cooperators, Comprehensive Information Management System (CIMS), congressional offices, or entities under contract with RMA. For insurance agents, certain information may also be disclosed to the public to assist interested individuals in locating agents in a particular area. Disclosure of the information requested is voluntary. However, failure to correctly report the requested information may result in the rejection of this document by the AIP or RMA in accordance with the Standard Reinsurance Agreement between the AIP and FCIC, Federal regulations, or RMA-approved procedures and the denial of program eligibility or benefits derived therefrom. Also, failure to provide true and correct information may result in civil suit or criminal prosecution and the assessment of penalties or pursuit of other remedies.

NON-DISCRIMINATION POLICY STATEMENT

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

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 Agency 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 may be made available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at www.usda.gov/about-usda/general-information/staff-offices/office-assistant-secretary-civil-rights/how-file-program-discrimination-complaint and 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) 6329992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.

CERTIFICATION STATEMENT

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

Insured's Name Joyful Dairy	Date <u>xx / xx / xxxx</u>	Agent's Name Bob Whey	Date <u>xx / xx / xxxx</u>
By <u>Jane Jersey</u> Insured's Signature	<u>POA</u> Title (if applicable)	<u>Bob Whey</u> Agent's Signature	

2025.10.NOLD.L

documents@naucountry.com Fax to: 763-233-4400



Page 3 of 3

Marketings Report
Livestock Gross Margin - Dairy Cattle

CLAIMS ONLY



Insured Information Name: Joyful Dairy ID #: 11-3333333 Address: 123 Heifer Road ID # Type: <input type="radio"/> SSN <input type="radio"/> EIN <input type="radio"/> RAN City, State, Zip: Bull, OH 88451 Person Type: Limited Liability Co. (LLC)		Reinsurance Year: 2026 State: OH Is applicant at least 18 years old? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Agency Information Agency Code: 12-12121212 Agency Name: Lactation Station Agency Agent Name: Bob Whey Address: 45 Swiss Cheese Road City, State, Zip: Yogurt, OH 45678 Phone #: _____ Fax #: _____ Email Address: _____	Policy Information Policy Number: 123456 Claim Number: 1 NAU Country Office (Assigned to Agency) <input type="checkbox"/> NAU-CA <input type="checkbox"/> NAU-KS <input type="checkbox"/> NAU-ND <input type="checkbox"/> NAU-FR <input checked="" type="checkbox"/> NAU-MN <input type="checkbox"/> NAU-NC <input type="checkbox"/> NAU-IA <input type="checkbox"/> NAU-MT <input type="checkbox"/> NAU-WI
--	--	--	---	--

Authorized Representative: _____
Farm or Business Name: _____

Copies of all marketing receipts and claim statements for the applicable marketing period must be attached to this Marketings Report.

List All Covered Marketings												
Rec. #	County	Practice/ Insurance Period	Effective Date	Approved Target Marketings	Approval #							
1	Brown Swiss		10/30/25	15250	67	Target Marketings and Feed by Month (Enter Month)						Deductible (\$/cwt)
Type of Operations		Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	
Hundredweight of Milk		0	15000	250	0	0	0	0	0	0	0	1.00
Tons of Corn		0	54.60	9100	0	0	0	0	0	0	0	1.0
Tons of Protein Meal		0	12.07	201250	0	0	0	0	0	0	0	1.0

2025.10.MARD.L

documents@naucountry.com

Fax to: 763-233-4400



Page 1 of 3

Marketings Report
Livestock Gross Margin - Dairy Cattle

CLAIMS ONLY



Insured's Name: Joyful Dairy LLC		Agency Code: 12-121212		Policy #: 123456							
Crop Year: 2026		Agency Name: Lactation Station Agency		Claim #: 1							
Rec. #	County	Practice/ Insurance Period	Effective Date	Approved Target Marketings	Approval #						
Target Marketings and Feed by Month (Enter Month)											
Type of Operations	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Deductible (\$/cwt)
Hundredweight of Milk											
Tons of Corn											
Tons of Protein Meal											

Remarks:

Conditions Insured's Initials: JD (a) All of the information on this Marketings Report is true to the best of my knowledge. (b) I understand that falsifying information on this Marketings Report is a crime punishable by jail or fine. (c) Copies of all marketing receipts and claim statements are attached.	Certification <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (a) I certify that the Actual Marketings stated in this Marketings Report reflect milk that I have produced during the insurance period using facilities that I control. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (b) I certify that I control adequate facilities to produce the amount of milk reflected by the Actual Marketings stated in this Marketings Report. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (c) I understand that, in the event of a claim, my coverage will be reduced to the amount of milk sold and no premium will be refunded if the amount of milk sold is less than 85% of the cumulative Target Marketings for the month stated in this application.
--	---

2025.10.MARD.L

documents@naucountry.com

Fax to: 763-233-4400



Page 2 of 3

Insured's Name: Joyful Dairy	Agency Code: 12-12121212	Policy #: 123456
Crop Year: 2026	Agency Name: Lactation Station Agency	Claim #: 1

COLLECTION OF INFORMATION AND DATA (PRIVACY ACT) STATEMENT - Agents, Loss Adjusters and Policyholders

The following statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a): The Risk Management Agency (RMA) is authorized by the Federal Crop Insurance Act (7 U.S.C. 1501-1524) or other Acts, and the regulations promulgated thereunder, to solicit the information requested on documents established by RMA or by approved insurance providers (AIPs) that have been approved by the Federal Crop Insurance Corporation (FCIC) to deliver Federal crop insurance. The information is necessary for AIPs and RMA to operate the Federal crop insurance program, determine program eligibility, conduct statistical analysis, and ensure program integrity. Information provided herein may be furnished to other Federal, State, or local agencies, as required or permitted by law, law enforcement agencies, courts or adjudicative bodies, foreign agencies, magistrate, administrative tribunal, AIP's contractors and cooperators, Comprehensive Information Management System (CIMS), congressional offices, or entities under contract with RMA. For insurance agents, certain information may also be disclosed to the public to assist interested individuals in locating agents in a particular area. Disclosure of the information requested is voluntary. However, failure to correctly report the requested information may result in the rejection of this document by the AIP or RMA in accordance with the Standard Reinsurance Agreement between the AIP and FCIC, Federal regulations, or RMA-approved procedures and the denial of program eligibility or benefits derived therefrom. Also, failure to provide true and correct information may result in civil suit or criminal prosecution and the assessment of penalties or pursuit of other remedies.

NON-DISCRIMINATION POLICY STATEMENT

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident. 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 Agency 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 may be made available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at www.usda.gov/about-usda/about-usda-program-discrimination-complaint-form-office-assistant-secretary-civil-rights-how-to-file-program-discrimination-complaint and 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: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.

CERTIFICATION STATEMENT

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

Insured's Printed Name and Signature	Date
Printed Name: Joyful Dairy	XX/XX/XXXX
Signature: <i>Joyful Dairy by Jane Jersey POA</i>	

2025.10.MARD.L

documents@naucountry.com

Fax to: 763-233-4400



Page 3 of 3

LGM Dairy – Actual Production

From the Policy:

- For each SCE, if for any month for which you have target marketings your actual marketings are less than 85 percent of the cumulative target marketings for the month, your indemnities will be reduced as follows:

- If your actual marketings for the month are equal to or greater than 85 percent of the cumulative target marketings for the month, then your market factor for the month equals 1, even if your actual marketings for the month are lower than the cumulative target marketings for the month

The following slide will tell us what actions to take if our actual marketings are less than 85%

LGM Dairy – Actual Production

From the Policy:

(2) If your actual marketings for the month are less than 85 percent of the cumulative target marketings for the month, then your market factor for the month equals your actual marketings divided by 85 percent divided by cumulative target marketings.

(3) The market factor for the SCE is calculated as a weighted average of market factors for months in which you have target marketings, proportional to the target marketings. The indemnity calculated as in 7(b) will be prorated by the market factor.

LGM Dairy – Determining Indemnities

If your actual marketings for the month are less than 85% of the cumulative target marketings for the month, then your market factor for the month equals your actual marketings divided by 85% divided by cumulative target marketings.

EXAMPLE

Insured purchases a policy May-March insurance period and declares 10,000 CWT in June and 10,000 CWT in July

Insured Markets 8,500 CWT in June and 7,500 in July

Market Factor for June is 1

Market Factor for July is $(7,500 / 0.85) / 10,000 = 0.882$

Market Factor for endorsement: $(10,000 \times 1) \text{ for June } (10,000 \times 0.882) \text{ for July } (10,000 \times 1) + (10,000 \times 0.882) / 20,000 = 0.941$

In this example If the difference between the GMG and the AGM is positive, the indemnity paid is the difference multiplied by 0.941

LGM Dairy – Premium Due

Nov	Sign up
Dec	-----
Jan	1,500CWT
Feb	1,500 CWT
Mar	0
Apr	BILL
May	0
Jun	0
Jul	0
Aug	0
Sept	0
Oct	0

Premium owed by you *may* be offset from an indemnity due you

- Keep in mind, premium will always be billed as shown on the left. But actual ending values (and thus indemnities) can only be determined after the months of *March, May, July, September* and *December*.
 - So, premiums can only offset indemnities in cases where those months align but are not guaranteed to do so even then
- An indemnity in this case could only be calculated after March

LGM Dairy – Premium Offset

If it is **prior** to the premium billing date or for any endorsement that has **not** ended the insured may request their premium and administrative fees be offset

If it is **after** the premium billing date or for any endorsement that has ended, premium and administrative fees will be offset

Quiz

Click the **Quiz** button to edit this object

What must a producer do to qualify for a premium subsidy under LGM Dairy?

Insure 10 months

Insure at least 2 months

Select a \$0 deductible

Insure at least 3 months



LGM Swine

Provides protection against the loss of gross margin of a Swine operation, protecting against profit loss due to a declining hog market and/or increasing feed costs

(market value of swine minus feed costs, which includes corn and soybean meal) on swine

LGM for swine recognizes 3 types of operations:

- Farrow to Finish
- Segregated Early Weaned
- Finishing Feeder

LGM Swine - Basics

- Any producer who owns swine in any of the 50 states is eligible for Livestock Gross Margin for Swine Insurance Policy coverage
- LGM for Swine does not insure against death loss, unexpected decreases in production, unexpected increases in feed use, or in other loss or damage of any kind
- Neither the price producer pays for feed nor receives for swine at the local market level is used to determine gross margins
- If insured's feed rations include protein and energy sources other than corn and soybean meal, their margins will still be determined using corn and soybean meal

LGM Swine - Advantages

Convenience

- Premium for LGM Swine is due at the end of the 6 month coverage period rather than at the time of purchase. LGM for Swine is a bundled option approach that covers the cost of feed. This bundle of options effectively insures the producer's gross margin (swine price minus feed costs) over the insurance period. The producer does not have to decide on the mix of options to purchase, the strike price of the options, or the date of entry.

Customization

- The LGM for Swine policy can be tailored to any size farm. Options cover fixed amounts of commodities, and those amounts may be too large to be used in the risk management portfolio of some farms.

Low Maintenance

- The producer does not have to decide on the mix of options to purchase, the strike price of the options, or the date of entry

Pricing Month – Swine

- Introduces Pricing month for feed inputs – corn and soybean meal
- Separates feed cost vs hog marketing
 - Insurance Month → hog marketing
 - Pricing month → feed cost valuation
 - Defined by operation type
 - Farrow-to-Finish: 3 months prior
 - Finishing/SEW: 2 months prior

LGM Swine – Margin Math

Head of Swine x CME Lean Hog Futures = **Revenue**

Feed Costs =

Amount of corn x Corn Futures Price

(+)

Amount of soybean meal x Soybean Meal Futures Price

Revenue (-) Feed Costs (using Expected Prices) = **Expected Gross Margin**

Gross Margin Guarantee =

Total of all Expected Gross Margins

(-)

(Deductible x Total Head Covered)

LGM Swine – How many Swine?

Target Marketings: Your determination as to the number of swine you elect to insure in each month during the insurance period

- You can only report the number of swine in which you have a share
- Target Marketings for any month of an insurance period cannot be greater than the production capacity
- Receipts must accompany the marketing report providing records of actual marketings, which is the number of swine actually produced by the operation

LGM Swine – How many Swine?

We refer to the number of swine by using the term “Target Marketing(s)”

Definition: The determination of number swine elected to insure in each of the six months during the insurance period

For example, for the contract with a sales closing date in April, coverage can begin on June 1

Policy purchased in April can cover the months of June through October

These months are referred to as the insurance period

April	Sign up
May	-----
June	1,000 Head
July	0
August	0
September	0
October	0

LGM Swine – Premium

New in 2026

- Premium billing date - The premium billing date for each SCE is the earlier of the first day of the second month following the last month of the insurance period in which you have target marketings on that SCE, or the billing date published in the actuarial documents.

April	Sign up
May	-----
June	1,000 Head
July	0
August	Billing
September	0
October	0

LGM Swine – Premium Offset

If it is prior to the premium billing date or for any endorsement that has not ended the insured may request their premium and administrative fees be offset

If it is after the premium billing date or for any endorsement that has ended, premium and administrative fees will be offset

LGM Swine – How much Feed?

- For LGM, it is assumed that we use:
Corn as the Energy source and Soybean meal (SBM) = Protein source

* The feed equations for LGM for **Swine** are not adjustable, they are flat amounts based on an optimal feeding ration developed through **Iowa State University**. The insured feed equivalent does not need to reflect actual feed used.

- Corn and soybean meal (SBM) are staple feed ingredients, making them standardized commodities that are traded on the Chicago Board of Trade. The amount of feed depends on the type of operation:

- Farrow to Finish

$$(x) \text{ expected price} + (138.55 \text{ lbs.} / 2000) (x) \text{ expected SBM price}$$

- Segregated Early Weaned

$$(x) \text{ expected price} + (91 \text{ lbs.} / 2000) (x) \text{ expected SBM price}$$

- Finishing Feeder

$$(x) \text{ expected price} + (82 \text{ lbs.} / 2000) (x) \text{ expected SBM price}$$

LGM Swine – Producer Chooses

- Which of the 5 months to insure Swine
- How many swine to insure in each month
- Deductible size
 - Portion of expected gross margin elected to leave uninsured
 - Allowable deductible increments range from \$0 - \$20 per Swine



Policy Application/Transfer/Change Form and Specific Coverage Endorsement

Livestock Gross Margin Insurance - Swine

A QBE Insurance Company

Applicant Information Name: Pittman Pigs ID #: 11-1111112 In Care Of: _____ ID # Type: <input type="radio"/> SSN <input type="radio"/> EIN <input type="radio"/> RAN Address: 123 Mudfarmer Rd City, State, Zip: Piglet, MN 44444 Person Type: Limited Liability Co. (LLC) ▼ State in which articles of incorporation/organization are held: MN Phone #: _____ Fax #: _____ Email Address: Whenpigsfly@yahoo.com Spouse's Name: _____ Spouse's ID #: _____	Reinsurance Year: 2026 State: MN	Agency Information Agency Code: 12-121212 Agency Name: Baconer Agency Agent Name: Bob Boar Address: 456 Bacon St Nw City, State, Zip: Weaning, MN 2222 Phone #: _____ Fax #: _____ Email Address: _____	Policy Information Policy Number: 123456 NAU Country Office (Assigned to Agency) <input type="checkbox"/> NAU-CA <input type="checkbox"/> NAU-KS <input type="checkbox"/> NAU-ND <input type="checkbox"/> NAU-FR <input checked="" type="checkbox"/> NAU-MN <input type="checkbox"/> NAU-NC <input type="checkbox"/> NAU-IA <input type="checkbox"/> NAU-MT <input type="checkbox"/> NAU-WI
---	-------------------------------------	--	---

The Application is required, please key and submit timely

Is applicant at least 18 years old? <input checked="" type="radio"/> Yes <input type="radio"/> No		Name of Parent or Guardian: _____					
Other Changes <input type="checkbox"/> Add or Remove SBI <input type="checkbox"/> Add/Change/Correct Insured's Authorized Rep. <input type="checkbox"/> Correct insured's identification number <input type="checkbox"/> Correct spelling of insured's name <input type="checkbox"/> Change/correct insured's address <input type="checkbox"/> Correct SBI's identification number <input type="checkbox"/> Change/correct insured's address		Reasons for Cancellation (Fill One) (Explain in Remarks) <input type="radio"/> Mutual Consent <input type="radio"/> Death, Incompetence, or Dissolution <input type="radio"/> Insured's Request <input type="radio"/> Other					
SBI Information: All persons with a substantial beneficial interest in you as defined in the applicable policy provisions							
Name	Address	City, State, Zip	Telephone	ID Number	ID Type	Person Type	Share
Billy Bob	123 Mud circle	Hog, MN, 11111		444-444-4445	SSN ▼	Individuals ▼	50
Jane Boar	456 Mud Run Drive	Hog MN 11111	123-456-7890	448-444-4443	SSN ▼	Individuals ▼	49
Please complete a SOCIAL SECURITY NUMBER AND EMPLOYER IDENTIFICATION NUMBER REPORTING form for additional substantial beneficial interest entities when applicable.							
Crop Year	County	Commodity: livestock or livestock product to be insured					
2026	HOG	<input type="checkbox"/> Cattle <input type="checkbox"/> Dairy Cattle <input checked="" type="checkbox"/> Swine <input type="checkbox"/> Cattle <input type="checkbox"/> Dairy Cattle <input type="checkbox"/> Swine <input type="checkbox"/> Cattle <input type="checkbox"/> Dairy Cattle <input type="checkbox"/> Swine					

2025.111.LGMSL
Created Date: 2025-05-19 18:00:40
E-mail to: documents@naucountry.com
Fax to: 763-233-4400

Page 1 of 4

Policy Application/Transfer/Change Form and Specific Coverage Endorsement
Livestock Gross Margin Insurance - Swine



Insured's Name: Pittman Pigs		Agency Code: 12-121212		Agency Name: Baconer Agency		Policy #: 123456		
List All Covered Marketings								
End. #	1	County:	HOG	Practice/Insurance Period:	Sep-Feb	Effective Date:	08/07/2025	
Type of Operation		Target Marketings by Month (Enter Month)						Deductible (\$/head)
		Month 2	Month 3	Month 4	Month 5	Month 6		
Segregated Early Wean to Finish		0	0	1800	1800	0	0	
End. #		County:		Practice/Insurance Period:		Effective Date:		
Type of Operation		Target Marketings by Month (Enter Month)						Deductible (\$/head)
		Month 2	Month 3	Month 4	Month 5	Month 6		
<input checked="" type="checkbox"/> The AD-1026 form has been filed with the FSA office for compliance with the Highly Erodible Land Conservation (HELIC) and Wetland Conservation.								
Remarks:								
Authority to sign crop insurance documents on behalf of the insured <small>I grant the person(s) listed below the authority to sign any and all crop insurance documents on my behalf. I understand that by authorizing such persons to sign documents on my behalf I am legally bound by all terms and conditions of such documents and of the crop insurance contract. I also understand that granting the following person(s) the authority to sign on my behalf does not obligate that person(s) to the terms and conditions of my crop insurance contract. I further understand that this authorization may be revoked by me at any time upon written notice, signed and delivered to my Approved Insurance Provider.</small>								
Name		Address		Telephone		Grant	Remove	
						<input type="checkbox"/>	<input type="checkbox"/>	
Power of Attorney/Authorized Representative								
County/Crop/Type		Date	Name		Address		Grant	Remove
Hog County/ Swine/All		07/01/25	Chop Chop, Porkchop		741 Snoutling Circle, Rosie MN 99998		<input checked="" type="checkbox"/>	<input type="checkbox"/>
							<input type="checkbox"/>	<input type="checkbox"/>
							<input type="checkbox"/>	<input type="checkbox"/>

Policy Application/Transfer/Change Form and Specific Coverage Endorsement
Livestock Gross Margin Insurance - Swine



Insured's Name: Pittman Pigs LLC		Agency Code: 12-121212		Agency Name: Baconer Agency		Policy #: 123456	
Conditions of Acceptance: This Application is accepted and insurance attaches in accordance with the policy unless: (1) The Federal Crop Insurance Corporation determines that, in accordance with the regulations, the risk is excessive; (2) any material fact is omitted, concealed or misrepresented in this Application or in the submission of this Application; (3) you have failed to provide complete and accurate information required by this Application; or (4) the answer to any of the following questions is "yes." An answer of "yes" to these questions does not automatically result in rejection of the Application. For example, if you answer "yes" to question (a) but your debt was discharged in bankruptcy, the Application would not be rejected.							
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	(a) Are you now indebted and the debt is delinquent for insurance coverage under the Federal Crop Insurance Act?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	(d) Are you disqualified or debarred under the Federal Crop Insurance Act, the regulations of the Federal Crop Insurance Corporation, or the United States Department of Agriculture?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	(e) Have you ever entered into an agreement with the Federal Crop Insurance Corporation or with the Department of Justice that you would refrain from participating in programs under the authority of the Federal Crop Insurance Act and that agreement is still effective?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	(f) Do you have like insurance on any of the above livestock?
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	(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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	(c) Have you ever had insurance coverage under the authority of the Federal Crop Insurance Act terminated for violation of the terms of the contract or regulations, or for failure to pay your delinquent debt?	I understand that if coverage for any livestock is currently terminated or would have subsequently terminated for indebtedness had this Application been filed after the termination date, no coverage can be provided and I am ineligible for any benefits under the Federal Crop Insurance Act until the cause for termination is corrected. We will notify you of rejection by depositing notification in the United States mail, postage paid, to the applicant's address. Unless rejected or the sales closing date has passed at the time you signed this Application, insurance shall be in effect for the livestock and crop years specified and shall continue for each succeeding crop year, unless otherwise specified in the policy, until canceled, terminated or voided. The insurance contract, which includes the accepted Application, is defined in the regulation published at 7 CFR chapter IV. No term or condition of the contract shall be waived or changed unless such waiver or change is expressly allowed by the contract and in writing.			
Transfer & Cancellation							
Name of Previous Ceding AIP (if any):				Policy # Under Previous AIP (if any):			
I hereby authorize and direct the Ceding Approved Insurance Provider shown above to furnish any information relative to my insurance policy to the Assuming Approved Insurance Provider listed below. I understand that if coverage for any crop(s) is now terminated or would have subsequently terminated for indebtedness had this transfer not occurred, no coverage can be provided by the NAU Country Insurance Company.							
I hereby request cancellation of my crop insurance policy for the crop(s) and crop year shown on this cancellation. I understand that if this form is not executed on or before the cancellation date for any crop year listed, the cancellation of insurance on such crop(s) will not become effective until the following crop year.							
Part I I hereby request cancellation of my insurance policy with the above Ceding Approved Insurance Provider for the crop(s) and crop year(s) specified above because I have applied for insurance with another Approved Insurance Provider. I understand that if this form is not executed on or before the established cancellation date for any crops listed, the cancellation of insurance on such crop(s) will not become effective until the following crop year.				Part II By submission of this form, we agree to provide crop insurance to this applicant for the crop(s) and crop year specified above unless this form is not executed on or before the established cancellation date for any of the crop(s) shown, in which case insurance will be provided for such crop(s) for the following year.			
Name of Assuming Agent:		Date of acceptance by Assuming Approved Insurance Provider:		Assuming AIP & Policy Issuing Company Code:			
Address, City, St., Zip:							
AIP Representative Printed Name and Signature:							

Policy Application/Transfer/Change Form and Specific Coverage Endorsement
Livestock Gross Margin Insurance - Swine



Insured's Name: Pittman Pigs Agency Code: 12-121212 Agency Name: Baconer Agency Policy #: 123456

COLLECTION OF INFORMATION AND DATA (PRIVACY ACT) STATEMENT - Agents, Loss Adjusters and Policyholders

The following statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a): The Risk Management Agency (RMA) is authorized by the Federal Crop Insurance Act (7 U.S.C. 1501-1524) or other Acts, and the regulations promulgated thereunder, to solicit the information requested on documents established by RMA or by approved insurance providers (AIPs) that have been approved by the Federal Crop Insurance Corporation (FCIC) to deliver Federal crop insurance. The information is necessary for AIPs and RMA to operate the Federal crop insurance program, determine program eligibility, conduct statistical analysis, and ensure program integrity. Information provided herein may be furnished to other Federal, State, or local agencies, as required or permitted by law, law enforcement agencies, courts or adjudicative bodies, foreign agencies, magistrate, administrative tribunal, AIP's contractors and cooperators, Comprehensive Information Management System (CIMS), congressional offices, or entities under contract with RMA. For insurance agents, certain information may also be disclosed to the public to assist interested individuals in locating agents in a particular area. Disclosure of the information requested is voluntary. However, failure to correctly report the requested information may result in the rejection of this document by the AIP or RMA in accordance with the Standard Reinsurance Agreement between the AIP and FCIC, Federal regulations, or RMA-approved procedures and the denial of program eligibility or benefits derived therefrom. Also, failure to provide true and correct information may result in civil suit or criminal prosecution and the assessment of penalties or pursuit of other remedies.

NON-DISCRIMINATION POLICY STATEMENT

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.
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 Agency or USDA's TARGET Center at (202) 720-2800 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at www.usda.gov/about-usda/general-information/staff-offices/office-assistant-secretary-civil-rights/how-file-program-discrimination-complaint and 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) 6329992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.
USDA is an equal opportunity provider, employer, and lender.

CERTIFICATION STATEMENT

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

INSURED'S CERTIFICATION AGAINST SUBSIDY CAPTURE

I certify that I will not offset any insurance provided under this specific coverage endorsement through livestock contracts traded on commodity exchanges or with other means for the purpose of subsidy capture, and I acknowledge that if I violate this certification, I may be subject to administrative, civil or criminal sanctions.

AGENT'S CERTIFICATION AGAINST SUBSIDY CAPTURE

I certify that I have not advised or assisted in any way with the purchase of any livestock contracts to offset insurance provided under this specific coverage endorsement for the purpose of subsidy capture, and I acknowledge that if I violate this certification, I may be subject to administrative, civil or criminal sanctions.

Insured's Name Pittman Pigs LLC	Date <u>06 / 30 / 2025</u>	Agent's Name Bob Boar	Date <u>06 / 30 / 2025</u>
By <u>Chop Chop Porkchop</u> Insured's Signature	POA Title (if applicable)	<u>Bob Boar</u> Agent's Signature	

Proof of time of signature is substantive for SCE received by the AIP after the end of the sales period.

LGM Swine – Subsidy Capture

Any activity by the insured to derive financial gain through subsidy capture is considered abuse of the LGM program

Section 23 of LGM BPs provides a list of activities considered to be conducted for the purpose of subsidy capture that are listed below. Other activities may be determined by USDA to be subsidy capture if an investigation conclusively determines the insured exploited the difference between premium owed and the cost of a privately traded livestock contract for the primary purpose of deriving financial gain.

If the insured buys an SCE and also open a new short put option on the relevant lean hog futures contract such that:

- The put option contract month is equal to the month for which you have declared target marketings;
- The put option is sold within 2 trading days before or 5 trading days after the SCE effective date; **and**
- At the time the insured sold the put option, the option premium (per cwt) was higher than 80 percent of the SCE premium



LGM Swine – Subsidy Capture

If the insured buys an SCE, and also sells a **call option** on the relevant lean hog futures contract, such that:

- The call option contract month is equal to a calendar month for which you have declared target marketings;
 - The call option is sold within 2 trading days before or 5 trading days after the SCE effective date;
 - At the time the insured sold the call option, the option premium (per cwt) was higher than 80 percent of the SCE premium; and
 - At the time the insured sold the call option subject to the time period in section 23(a)(2)(ii), they also opened a new long position in the underlying futures contract, such that these 2 positions jointly created a payoff schedule equivalent to selling a put option.
 - Any private contract not traded on regulated commodity exchanges under which uncertain future indemnities for SCEs are effectively exchanged for a certain dollar amount is presumed to be subsidy capture, and is in violation of section 3(j)

LGM Swine – Expected Prices

We know our first step is determining how many head are to be covered, and in which months

Then we need to determine what the expected gross margins are for those months (swine value over feed costs)

To determine expected corn and soybean meal prices we look at the Chicago Mercantile Exchange or CME futures contracts



LGM Swine –The Months Matter

Here's an important distinction:

After we select our months to insure (*June*), the policy requires we look back multiple months to determine feed prices

Farrow to Finish (3 months prior)

- *March Feed Prices*

Finishing (2 months prior)

- *April Feed Prices*

SEW (2 months prior)

- *April Feed Prices*

April	Sign up
May	-----
June	1,000 Head
July	BILL
August	0
September	0
October	0

This effects *Feed* contracts only, not *Swine*

2027 LGM Training

139



LGM Swine – Contract Months

JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
	Swine		Swine	Swine	Swine	Swine	Swine		Swine		Swine
Soy Bean		Soy Bean		Soy Bean		Soy Bean	Soy Bean	Soy Bean	Soy Bean		Soy Bean
		CORN		CORN		CORN		CORN			CORN

Here is another important distinction:

Corn, SBM and Swine do not all have a contract each month

For Corn / SBM in months without a futures contract

Futures prices used to calculate the expected price is the daily settlement price for the first succeeding contract month

For Swine in months without a futures contract

Futures prices used to calculate the expected swine price is the daily settlement price on the effective date for the first succeeding contract month, expressed in dollars per hundredweight

2027 LGM Training

140



LGM Swine – Expected Corn and Soybean Meal Prices

Corn and Soybean meal with unexpired futures contracts:

For months with unexpired futures contracts, the expected price is the CME Group futures daily settlement price for that month on the effective date

Corn and Soybean meal with expired futures contracts:

For months with expired futures contracts, the expected price is the simple average of daily settlement prices for the CME Group futures contract for that month in the last three trading days prior to contract first notice date.

Corn and Soybean meal in months without a futures contract:

For months without a futures contract, the futures prices used to calculate the expected price is the daily settlement futures price for the first succeeding contract month on the effective date.

LGM Swine – Expected Feed Cost

Remember - we are insuring a margin in up to 5 months, and *each month is figured on it's own*

If we sign up in April, we will need to determine a completely different margin in each of June, July, August... We use the same formula, with different values in each month we cover.

Remember the formula:

Expected Gross Margin = **Swine Revenue** (-) **Feed Costs** (using Expected Prices)

LGM Swine – Expected Cost of feed per Month

Farrow to Finish:

12 bushels
 X
 Expected corn price
 for the month
 +
 138.55 lbs
 ÷
 2000 lbs per ton
 X
 Expected soybean
 meal price for the
 month

2027 LGM Training

Feeder Pig Finishing:

9 bushels
 X
 Expected corn price
 for the month
 +
 82 lbs
 ÷
 2000 lbs per ton
 X
 Expected soybean
 meal price for the
 month

143

SEW Pig Finishing:

9.05 bushels
 X
 Expected corn price
 for the month
 +
 91 lbs
 ÷
 2000 lbs per ton
 X
 Expected soybean
 meal price for the
 month

 **NAU Country**
 A QBE Insurance Company

LGM Swine – Expected Swine Price

Remember - we are insuring a margin in up to 5 months, and *each month is figured on it's own*

If we sign up in April, we will need to determine a completely different margin in each of June, July, August... We use the same formula, with different values in each month we cover.

The formula:

Expected Gross Margin = **Swine Revenue** (-) **Feed Costs** (using Expected Prices)

Let's look at how we get expected **swine value**

2027 LGM Training

144

 **NAU Country**
 A QBE Insurance Company

For months with unexpired lean hog futures contracts:

The expected swine price is the daily settlement price of the CME Group lean hog futures contract for that month on the effective date, expressed in dollars per hundredweight

For months without a lean hog futures contract:

The futures prices used to calculate the expected swine price is the daily settlement price on the effective date for the first succeeding contract month, expressed in dollars per hundredweight

LGM Swine Expected Swine Price

LGM Swine – Expected Swine Price

- **Simplified Definition: Expected Swine Price**
- **Expected Swine Price** is the projected hog price used to calculate coverage under LGM for Swine. It is based on **CME lean hog futures prices on the effective date of coverage**.
- **If a futures contract exists for that month:**
The expected swine price is the **daily settlement price** of the CME lean hog futures contract for that month on the effective date.
- **If no futures contract exists for that month:**
The expected swine price is the **daily settlement price** on the effective date of the **next available (succeeding) lean hog futures contract**.
- Prices are expressed in **dollars per hundredweight (cwt)**.

LGM Swine – Expected Gross Margin Per Swine

Now let's bring it all together

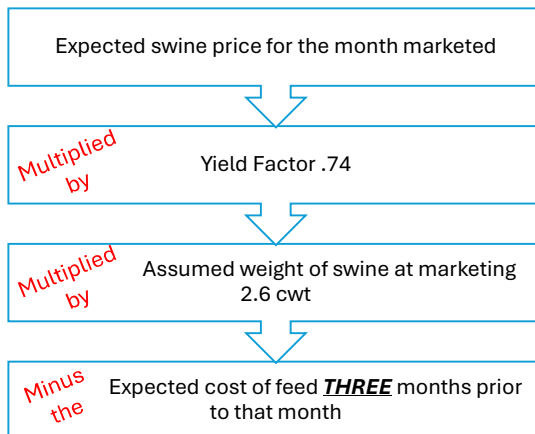
We're building a margin for each month—up to five months total

- You've already seen how to find the Expected Swine Price and the Expected Feed Cost
- Just to recap, the expected swine price is the projected hog price used for LGM for Swine, based on CME lean hog futures prices on the effective date
 - If a futures contract exists for that month, we use that contract's daily settlement price
 - If not, we use the next available lean hog futures contract
 - All prices are in dollars per hundredweight, or cwt

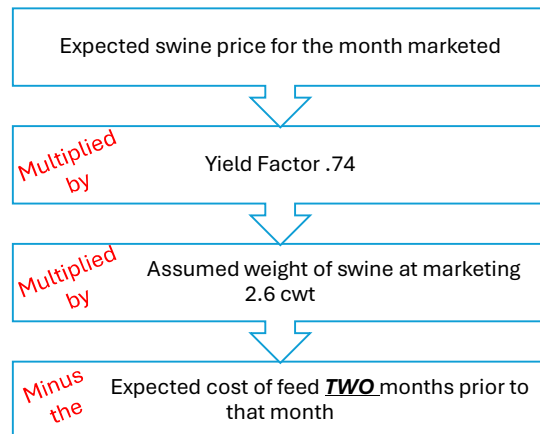
On the next few slides, we'll use those two numbers to calculate the expected gross margin per swine for a given month

LGM Swine – Expected Gross Margin Per Swine

Farrow to Finish



Feeder Pig Finishing / Sew



LGM Swine –Actual Gross Margin

- Once we have our margins determined for any or all of the 5 insurable months, the other half of the equation is to compare those monthly **Expected Gross Margins**, to the actual market performance as time goes by
- We do this by creating an **Actual Gross Margin** for each month as they pass. The concept of this is the same as the steps we took to find the **Expected Prices** and **Expected Gross Margins** with the difference being, we are using real, expired corn, SBM and swine prices
- We'll begin the process by determining how to calculate the actual corn and soybean meal prices

Corn and Soybean Meal for months in which a CME futures contract expires:

The actual price is the simple average of the daily settlement prices in the last three trading days prior to the contract first notice date for the CME Group futures contract for that month

Corn and Soybean Meal for months when there is no expiring CME Group futures contract:

The actual price is the simple average of the daily settlement prices for the first succeeding contract month for the three days prior to the start of the month

LGM Swine Actual Corn and Soybean Meal Prices

LGM Swine – Actual Cost of feed per Month

Farrow to Finish:

12 bushels
 X
 Actual Corn price
 for the month
 +
 138.55 lbs
 ÷
 2000 lbs per ton
 X
 Actual Soybean
 Meal price for the
 month

Feeder Pig Finishing:

9 bushels
 X
 Actual Corn price
 for the month
 +
 82 lbs
 ÷
 2000 lbs per ton
 X
 Actual Soybean
 Meal price for the
 month

Sew Pig Finishing:

9.05 bushels
 X
 Actual Corn price
 for the month
 +
 91 lbs
 ÷
 2000 lbs per ton
 X
 Actual Soybean
 Meal price for the
 month

For months in which a CME Group lean hog futures contract expires:

The actual swine price is the simple average of the daily settlement prices in the last seven trading days prior to the contract last trade date for the CME Group lean hog futures contract for that month expressed in dollars per hundredweight

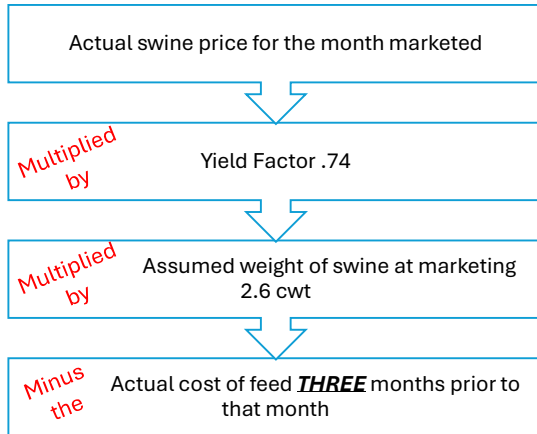
For months when there is **NO** expiring CME Group lean hog futures contract:

The actual swine price is the simple average of the daily settlement prices for the first succeeding contract month for the first seven trading days following the 8th calendar day of the target month

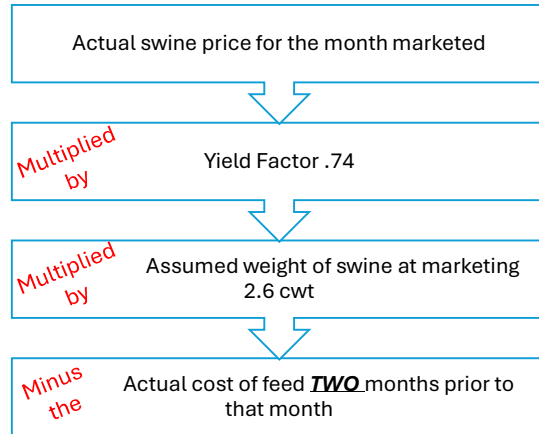
LGM Swine Actual Swine Price

LGM Swine –Actual Gross Margin Per Swine

Farrow to Finish



Feeder Pig Finishing / Sew



LGM Swine –Loss or Not?

- After all the covered months have passed, and all the actual Gross margins have been calculated, the margins are posted on the RMA website

EXAMPLE

Swine (0815) Finishing (805) Aug. - Jan. Insurance Period (808)										
	Month 2 (September)	Month 3 (October)	Month 4 (November)	Month 5 (December)	Month 6 (January)	Month 7 (February)	Month 8 (March)	Month 9 (April)	Month 10 (May)	Month 11 (June)
Expected Gross Margin	129.29	130.51	114.38	112.61	115.76	N/A	N/A	N/A	N/A	N/A
Actual Gross Margin	138.77	142.01	106.96	108.96	114.20	N/A	N/A	N/A	N/A	N/A

- We just need to apply our deductible level, and target marketings. Crunching the numbers, we see there is no loss on this coverage. Even though there was a loss in the last 3 months, there; was not a loss in the first 2. Those 2 strong months offset the 3 weaker ones. Also, the \$2 deductible reduces the margin by \$1,000 (500 total marketings x \$2)

	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	
Target Market	100	100	100	100	100	0	Total
Exp Gross Margin	\$129.29	\$130.51	\$114.38	\$112.61	\$115.76	0	\$60,255
Act Gross Margin	\$138.77	\$142.01	\$106.96	\$108.96	\$114.20	0	\$61,090
Deductible	\$2					NO LOSS	-\$835

LGM Swine – Indemnity Summary

LGM Actual Indemnity:

- If *Total GMG > Total AGM* - Indemnity paid
 - GMG = Gross Margin Guarantee
 - AGM = Actual Gross Margin
 - Total refers to sum over all insured months



LGM No Indemnity

- If *Total GMG < Total AGM* No indemnity:
 - GMG = Gross Margin Guarantee;
 - AGM = Actual Gross Margin
 - Market conditions more favorable than existed at sign-up
 - Lower lean hog price, higher feed prices or both



LGM Swine – Claim Process

If a loss is triggered, NAU will send 2 forms to the agent:

1. Notice of Probable Loss (NOPL)

- * This is completely filled in when it is sent out
- * It shows the deductible, GMG, AGM and the probable loss

2. Marketings Form

* This form is where you indicate the actual production the producer had during the months they covered and validate it by showing the applicable receipts and must be submitted **within 60 Days** of receipt of NOPL

Both forms need to be signed and dated by the insured and agent and returned to NAU Country along with receipts proving production

Forms and documents can be sent to: Livestock.claims@naucountry.com

Notice of Probable Loss
Livestock Gross Margin - Swine



1. Insured Information		2. Agency Information		3. Policy Number: 123456	
Name: Pittman Pigs	ID #: 11-111111	Crop Year: 2026	Code: 12-121212	Claim #:	001
Address: 123 Mudfarmer Rd	Type: <input type="checkbox"/> SSN <input checked="" type="radio"/> EIN <input type="checkbox"/> RAN	State: MN	Name: Baconer Agency	Date Notice of Probable Loss Issued:	1/21/2026
City, State, Zip: Piglet, MN, 11122	County: HOG	Commodity: Swine	Address: 456 Bacon ST NW	Endorsement Number:	1
Person Type: Limited Liability Co*	Plan of Ins: LGM	SWPGF	City, State, Zip: Weaning, MN 22222	NAU Country Office (Assigned to Agency)	
Phone #: _____ Fax #: _____			Phone #: _____ Fax #: _____	<input type="checkbox"/> NAU-CA <input type="checkbox"/> NAU-KS <input type="checkbox"/> NAU-ND	
Email Address: Whenpigfly@yahoo.com			Email: _____	<input type="checkbox"/> NAU-FR <input checked="" type="checkbox"/> NAU-MN <input type="checkbox"/> NAU-NC	
Spouse's Name: _____			Agent Name: Billy Bob	<input type="checkbox"/> NAU-IA <input type="checkbox"/> NAU-MT <input type="checkbox"/> NAU-WI	
Spouse's ID #: _____			Address: _____	City, State, Zip: _____	

According to our records, you may be entitled to an indemnity under this policy endorsement based on the information presented below. The calculation of the indemnity is shown in the indemnity section below. In order to receive an indemnity, your signed Marketings Report and marketing receipts are required to certify that the terms and conditions of the policy have been met. Please contact your livestock insurance agent if the information on this form is incorrect or you have any questions.

Assignment of Indemnity? Yes No Transfer of Coverage and Right to an Indemnity? Yes No

3. Assignment of Indemnity/Transfer of Right to Indemnity

Assignee's Name: _____ Assignee's SSN / EIN (circle one and enter) _____ Telephone # _____ Fax #: _____

Street or Mailing Address: _____ City: _____ State: _____ Zip: _____

4. Indemnity Calculation

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

Insurance Period: Eleven Month Insurance Period Beginning Oct, 2025 (Month, Year) Effective Date: 08/07/2025

Type of Operation	Target Marketings by Month (Enter Month)					
	Month 2	Month 3	Month 4	Month 5	Month 6	
Farrow to Finish	October <input type="text"/>	November <input type="text"/>	December <input type="text"/>	January <input type="text"/>	February <input type="text"/>	
Segregated Early Wean (SEW) to Finish	0	0	1800	1800	0	
Feeder to Finish						

Probable Indemnity			
Deductible	Gross Margin Guarantee	Actual Gross Margin	Probable Indemnity
\$0.00	\$411,678.00	\$396,180.00	\$15,498.00

Notice of Probable Loss
Livestock Gross Margin - Swine



Insured's Name: Pittman Pigs		Agency Code: 12-121212		Policy #: 123456	
Crop Year: 2026		Agency Name: Baconer Agency			
Authority to sign crop insurance documents on behalf of the Insured					
I grant the person(s) listed below the authority to sign any and all crop insurance documents on my behalf. I understand that by authorizing such persons to sign documents on my behalf I am legally bound by all terms and conditions of such documents and of the crop insurance contract. I also understand that granting the following person(s) the authority to sign on my behalf does not obligate that person(s) to the terms and conditions of my crop insurance contract. I further understand that this authorization may be revoked by me at any time upon written notice, signed and delivered to my Approved Insurance Provider.					
Name	Address	Telephone	Grant	Remove	
			<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	
Power of Attorney/Authorized Representative					
County/Crop/Type	Date	Name	Address	Grant	Remove
Hog County/ Swine/all	07/01/2025	Chop Chop, Porkchop	741 Snoutling Circle, Rosie MN 99999	<input checked="" type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
Assignment of Indemnity					
County/Crop/Type	Date	Name	Address	Grant	Remove
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
Transfer of Coverage and Right to an Indemnity					
County/Crop/Type	Date	Name	Address	Grant	Remove
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Notice of Probable Loss
Livestock Gross Margin - Swine



Insured's Name: Pittman Pigs	Agency Code: 12-12121212	Policy #: 123456
Crop Year: 2026	Agency Name: Baconer Agency	
Remarks		

COLLECTION OF INFORMATION AND DATA (PRIVACY ACT) STATEMENT - Agents, Loss Adjusters and Policyholders

The following statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a). The Risk Management Agency (RMA) is authorized by the Federal Crop Insurance Act (7 U.S.C. 1501-1524) or other Acts, and the regulations promulgated thereunder, to solicit the information requested on documents established by RMA or by approved insurance providers (AIPs) that have been approved by the Federal Crop Insurance Corporation (FCIC) to deliver Federal crop insurance. The information is necessary for AIPs and RMA to operate the Federal crop insurance program, determine program eligibility, conduct statistical analysis, and ensure program integrity. Information provided herein may be furnished to other Federal, State, or local agencies, as required or permitted by law, law enforcement agencies, courts or adjudicative bodies, foreign agencies, magistrate, administrative tribunal, AIP's contractors and cooperators, Comprehensive Information Management System (CIMS), congressional offices, or entities under contract with RMA. For insurance agents, certain information may also be disclosed to the public to assist interested individuals in locating agents in a particular area. Disclosure of the information requested is voluntary. However, failure to correctly report the requested information may result in the rejection of this document by the AIP or RMA in accordance with the Standard Reinsurance Agreement between the AIP and FCIC, Federal regulations, or RMA-approved procedures and the denial of program eligibility or benefits derived therefrom. Also, failure to provide true and correct information may result in civil suit or criminal prosecution and the assessment of penalties or pursuit of other remedies.

NON-DISCRIMINATION POLICY STATEMENT

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

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 Agency 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 may be made available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at www.usda.gov/about-usda/general-information/self-offices/office-assistant-secretary-civil-rights/how-to-file-program-discrimination-complaint and 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: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.

CERTIFICATION STATEMENT

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

Insured's Name Pittman Pigs LLC	Date 01 / 28 / 2026	Agent's Name Billy Bob	Date 01 / 28 / 2026
By Chop Chop Porkchop	POA	Agent's Signature	
Insured's Signature	Title (if applicable)		

2025.10.NOLS.L

documents@naucountry.com

Fax to: 763-233-4400



Page __ of __

Marketings Report

Livestock Gross Margin - Swine

CLAIMS ONLY



Insured Information		Reinsurance		Agency Information		Policy Information	
Name: Pittman Pigs LLC ID #: 11-11111111		Year: 2026		Agency Code: 12-12121212		Policy Number: 123456	
Address: 123 Mudfarmer Rd ID # Type: <input type="radio"/> SSN <input type="radio"/> EIN <input type="radio"/> RAN		State: MN		Agency Name: Baconer Agency		Claim Number: 1	
City, State, Zip: Piglet, MN 11120		Is applicant at least 18 years old? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Agent Name: Billy Boar		<input type="checkbox"/> NAU-CA <input type="checkbox"/> NAU-KS <input type="checkbox"/> NAU-ND <input type="checkbox"/> NAU-FR <input checked="" type="checkbox"/> NAU-MN <input type="checkbox"/> NAU-NC <input type="checkbox"/> NAU-IA <input type="checkbox"/> NAU-MT <input type="checkbox"/> NAU-WI	
Person Type: Limited Liability Co. (LLC)		Authorized Representative:		Address: 456 Bacon St NW			
Phone #: Fax #:				City, State, Zip: Weaning, MN 22222			
Email Address: Whenpigsfly@yahoo.com				Phone #: Fax #:			
Spouse's Name: Spouse's ID #:				Email Address:			
Farm or Business Name:							
Copies of all marketing receipts and claim statements for the applicable marketing period must be attached to this Marketings Report.							
List All Covered Marketings							
Rec. #	County:	Practice/Insurance Period	Sep.-Feb.	Effective Date:	Approved Target Marketings:	Approval #:	
1	Hog			08/07/25	3600	114	
Target Marketings by Month (Enter Month)							
Type of Operation	Month 2		Month 3	Month 4	Month 5	Month 6	Deductible (\$/head)
	October	November	December	January	February		
Farrow to Finish							
Segregated Early Wean (SEW) to Finish	0	0	1800	1800	0	0	
Feeder to Finish							
Rec. #	County:	Practice/Insurance Period	Effective Date:	Approved Target Marketings:	Approval #:		
Target Marketings by Month (Enter Month)							
Type of Operation	Month 2		Month 3	Month 4	Month 5	Month 6	Deductible (\$/head)
Farrow to Finish							
Segregated Early Wean (SEW) to Finish							
Feeder to Finish							

2025.10.MARSL

documents@naucountry.com


Fax to: 763-233-4400



Page 1 of 2

Marketings Report
Livestock Gross Margin - Swine

CLAIMS ONLY



NAU Country
A QBE Insurance Company

Insured's Name:	Agency Code:	Policy #:
Crop Year:	Agency Name:	Claim #:

Remarks:

<p>Conditions</p> <p>Insured's Initials</p> <p>PP (a) All of the information on this Marketings Report is true to the best of my knowledge.</p> <p>PP (b) I understand that falsifying information on this Marketings Report is a crime punishable by jail or fine.</p> <p>PP (c) Copies of all marketing receipts and claim statements are attached.</p>	<p>Certification</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (a) I certify that the Actual Marketings stated in this Marketings Report reflect swine that I have owned during the insurance period and have fed to finish weight using facilities that I control.</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (b) I certify that I control adequate facilities to feed and finish the number of swine reflected by the Actual Marketings stated in this Marketings Report.</p> <p><input checked="" 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 this Application.</p>
--	--

COLLECTION OF INFORMATION AND DATA (PRIVACY ACT) STATEMENT - Agents, Loss Adjusters and Policyholders

The following statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a): The Risk Management Agency (RMA) is authorized by the Federal Crop Insurance Act (7 U.S.C. 1501-1524) or other Acts, and the regulations promulgated thereunder, to solicit the information requested on documents established by RMA or by approved insurance providers (AIPs) that have been approved by the Federal Crop Insurance Corporation (FCIC) to deliver Federal crop insurance. The information is necessary for AIPs and RMA to operate the Federal crop insurance program, determine program eligibility, conduct statistical analysis, and ensure program integrity. Information provided herein may be furnished to other Federal, State, or local agencies, as required or permitted by law, law enforcement agencies, courts or adjudicative bodies, foreign agencies, magistrate, administrative tribunal, AIP's contractors and cooperators, Comprehensive Information Management System (CIMS), congressional offices, or entities under contract with RMA. For insurance agents, certain information may also be disclosed to the public to assist interested individuals in locating agents in a particular area. Disclosure of the information requested is voluntary. However, failure to correctly report the requested information may result in the rejection of this document by the AIP or RMA in accordance with the Standard Reinsurance Agreement between the AIP and FCIC, Federal regulations, or RMA-approved procedures and the denial of program eligibility or benefits derived therefrom. Also, failure to provide true and correct information may result in civil suit or criminal prosecution and the assessment of penalties or pursuit of other remedies.

NON-DISCRIMINATION POLICY STATEMENT

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

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 Agency 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 may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at www.usda.gov/about-usda/general-information/staff-offices/office-assistant-secretary-civil-rights/how-to-file-program-discrimination-complaint, and 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) 6329992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.


USDA is an equal opportunity provider, employer, and lender.

CERTIFICATION STATEMENT

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

Insured's Printed Name and Signature	Date
Printed Name: Pittman Pigs LLC	01/28/2026
Signature: <i>Chop Chop Porkchop, POA</i>	

2025.10.MARS.L
documents@naucountry.com
Fax to: 763-233-4400



Page 2 of 2

LGM Swine
"Determining Indemnities"

If total of actual marketings are less than 85% of total target marketing, indemnity will be reduced by percentage by which actual marketings fell below total of target marketings.

On the application we see that 1,000 total target marketings were covered. They need to actually market at least 85% of that, which is 850 head.


Target Marketing by Month				
Month 2	Month 3	Month 4	Month 5	Month 6
Jun	Jul	Aug	Sept	Oct
1000	0	0	0	0

On the marketing report, the Insured indicated that they actually marketed 1,518 head of swine. The totals are all that we need to compare. Their actual totals are higher than their total targets, so they meet the requirement of the policy.

Actual Marketings by Month				
Month 2	Month 3	Month 4	Month 5	Month 6
Jun	Jul	Aug	Sept	Oct
960	90	86	52	330

Target marketings for each specific month in the insurance period will be summed over all SCE's in all crop years when the month was insurable

2027 LGM Training
16
2



NAU Country
A QBE Insurance Company

Quiz

Click the Quiz button to edit this object

Which of the following is an LGM Swine operation type?

Feedlot finishing

Farrow-to-Finish

Pasture-raised

Mixed herd

⌚ 60 sec to answer

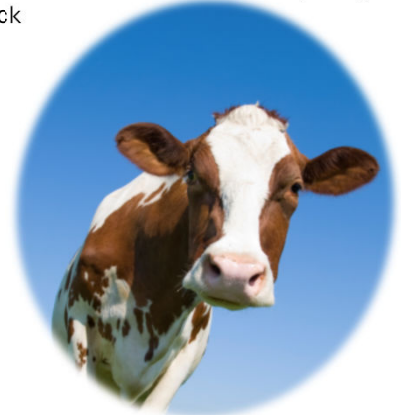


LGM Cattle – Overview

Provides protection against the loss of gross margin (market value of livestock *minus* feed costs (corn), minus costs of feeder cattle) on livestock

12 insurance periods each year

- Each insurance period runs for 11 months
- No cattle can be insured the first month of any insurance period



LGM Cattle – Basics

Any producer who owns cattle in any of the 50 states IS eligible for Livestock Gross Margin for Cattle Insurance Policy coverage

LGM for Cattle does not insure against death loss, unexpected decreases in production, unexpected increases in feed use, or in other loss or damage of any kind whatsoever

Neither the price producer pays for feed nor receives for cattle at the local market level is used to determine gross margins

If insured's feed rations include protein and energy sources other than corn and soybean meal, their margins will still be determined using corn and soybean meal

The total number of head that may be insured under LGM Cattle is not to exceed the farm capacity

LGM Cattle – Sales Period

The period that begins on Thursday of each week when the coverage prices and rates are posted on RMA's website and ends on the following calendar day at 8:25 AM Central Time.



- Sales will **Not** be available for purchase if the Thursday of the sales period is a federal holiday

1	Reinsurance Year:	2026
2	Commodity:	Cattle (0803)
3	Commodity Year:	2026
4	Insurance Plan:	Livestock Gross Margin (82)
5	State:	Louisiana (22)
	County:	All Counties (998)
	Effective Date:	2026-01-08

The calendar date for **Thursday** of the sales period will be shown as the *effective date* in the actuarial documents

LGM Cattle – Basics

- LGM Cattle uses *futures* prices for corn, and future prices for cattle to determine expected gross margin and then actual market performance to determine the actual gross margin
 - Neither the price producer pays for feed nor receives for cattle at the local market level is used to determine gross margins
 - If insured's feed rations include sources other than corn, their margins will still be determined using corn

What does the *Producer* choose?

- What months to insure cattle
- How many cattle to insure each month
- How big a deductible to use

LGM cattle pays producers at end of an 11-month insurance period if the Gross Margin Guarantee is more than the Actual Gross Margin

LGM Policy Definitions

Target Feeder Cattle Weight

The anticipated weight of feeder cattle at purchase time. Target weight must fall within the range of:

- (1) 6 to 12 cwt for yearling finishing operations, and
- (2) 4 to 6 cwt for calf finishing operations.

The difference between target live cattle weight and target feeder cattle weight must not exceed:

- (1) 6 cwt for yearling finishing operations, and
- (2) 10 cwt for calf finishing operations. For example, if you buy an SCE and declare target live cattle weight of 15 cwt, the lowest allowable target feeder cattle weight would be 9 cwt for yearling finishing operations, and 5 cwt for calf finishing operations.

Target Feeder Cattle Weight

LGM Cattle Pol. Sec 1
LGM Cattle ISH Exh 2

LGM Cattle Only

Limit added – maximum difference between Live Cattle weight and Feeder Cattle Weight is:

- 6 cwt for yearling type
- 10 cwt for calf finishing type

LGM Policy Definitions

- **Cumulative Target Marketings** – Target marketings for each specific month in the insurance period, under this and all other livestock insurance plans that insure fed cattle marketings for the same month, summed over all SCEs in all crop years when the month was insurable. For example, if February 2027 is insured under 3 different Specific Coverage Endorsements, then the target marketings for February 2027 under each of those SCEs, including any Livestock Risk Protection Fed Cattle endorsements with an end date in February 2027, are totaled to determine the cumulative target marketings for February 2027. This is done for each month in the insurance period.
- **Target Live Cattle Weight** - The anticipated weight of live cattle at marketing. Target weight must fall within the range of 12 to 18 cwt for yearling finishing operations, and within the range of 11 to 16 cwt for calf finishing operations.

Pricing Month – Cattle

- Introduces Pricing month for:
 - Feeder Cattle
 - Corn
- Separates Revenue(live cattle) from Input Costs(feeders and feed)
- Defined by operation type
 - Yearling Finishing
 - Feeder Cattle: 5 months prior
 - Corn: 2 months prior
 - Calf Finishing
 - Feeder Cattle: 8 months prior
 - Corn: 4 months prior

Target Live Cattle Weight

LGM Cattle Pol Sec 1
LGM Cattle ISH Exh 2

LGM Cattle Type	Current	2027 RY	Change
Yearling Finishing	1,500 lbs	1,800 lbs	+300 lbs
Calf Finishing	1,300 lbs	1,600 lbs	+300 lbs

LGM Cattle – Basics

Cattle Revenue =
Head of Cattle (x) CME live cattle futures

Cattle Expenses =
Amount of corn (x) Corn Futures Price
+
Head of cattle (x) CME feeder cattle futures

Expected Gross Margin =
Cattle Revenue (-) Cattle Expenses (using Expected Prices)

Gross Margin Guarantee =
Total of all Expected Gross Margins
minus
(Deductible (x) Total head)

November	Sign up
December	-----
January	1,000 Head
February	0
March	500
April	0
May	500
June	1000
July	85
August	0
September	10
October	0

We refer to number of cattle by using the term “Target Marketing/s”

The determination of number of head of cattle elected to insure in each month during the insurance period

LGM Cattle How Many Head...???

November	Sign up
December	-----
January	1,000 Head
February	500 Head
March	0
April	BILL
May	0
June	0
July	0
August	0
September	0
October	0

Premium Billing Date:

The earliest date upon which the insured will be billed for insurance coverage based on the information contained in the insured’s SCE. The premium billing date for each SCE is the earlier of the first day of the second month following the last month of the insurance period in which the insured has target marketings on that SCE or the billing date published in the actuarial documents

LGM Cattle How Many Head...???

LGM Cattle – Target Weights No longer an Assumed Value

Target Corn weight:

The anticipated weight of the corn fed per head. Target weight must fall within the range of:

- 50-85 bu / head for yearling finishing operations
- 50-75 bu / head for calf finishing operations

Target Feeder Cattle Weight:

The anticipated weight of feeder cattle at purchase time. Target weight must fall within the range of

- 6 to 9 cwt for yearling finishing operations
- 4 to 6 cwt for calf finishing operations

Target live cattle weight :

The anticipated weight of live cattle at marketing. Target weight must fall within the range of:

- 12 to 15 cwt for yearling finishing operations
- 11 to 13 cwt for calf finishing operations

LGM Cattle – Suspension

Sales of LGM for Cattle may be suspended if extraordinary events occur that interfere with effective functioning of corn, feeder cattle, or live cattle commodity markets

Evidence of such events may include, but is not limited to consecutive

- Limit down moves in live cattle futures markets
- Limit up moves in the feeder cattle and/or corn futures markets

LGM Cattle – Producer Chooses

- Which of the 10 months to insure Cattle
- How many cattle to insure in each month
- Deductible size



LGM Cattle Specific Coverage Endorsement

Specific Coverage Endorsement (SCE)

An endorsement to the policy purchased by you during the crop year necessary to provide coverage that includes information about the insurance period, coverage options and target marketings.

Target Marketings are your determination as to the number of cattle you elect to insure in each month during the insurance period

You can only report the number of cattle in which you have a share

Copies of *packer sales receipts* must accompany the marketing report providing records of actual marketings, which is the number of cattle actually produced by the operation

LGM Policy Definitions

LGM Cattle Pol. Sec 1
LGM Cattle ISH Exh 2

Revised for LGM Cattle only

- **2026 Share definition** - The lesser of your percentage interest in the insured livestock as an owner at the time insurance attaches and at the time of sale. Persons who lease or hold some other interest in the livestock other than as an owner are not considered to have a share in the livestock.

2027 Share definition –

- (a) The lesser of your percentage interest in the insured livestock as an owner:
 - (1) 5 months prior to the target month for yearling finishing or 8 months prior to the target month for calf finishing, or
 - (2) At the time of sale.
- (b) Persons who lease or hold some other interest in the livestock other than as an owner are not considered to have a share in the livestock.

LGM Cattle Purchase Timing

LGM Cattle Pol Sec 1,
"Share"
LGM Cattle ISH Exh 4

- Can buy SCE before taking physical possession of feeder cattle that will be grown for sale and slaughter
- Supported in updated **share** definition
 - Lesser of % interest in insured cattle as an owner:
 - 5 months before target month (Yearling Finishing) or 8 months before target month (Calf Finishing), **or**
 - At time of sale

Policy Application/Transfer/Change Form and Specific Coverage Endorsement
Livestock Gross Margin Insurance - Cattle



Applicant Information		Reinsurance Year: 2026	Agency Information		Policy Information																																
Name: Bracker Breakneck Calves LLC ID #: 12-12123		State: IA	Agency Code: 12-121212		Policy Number: 123456																																
In Care Of: ID # Type: <input type="radio"/> SSN <input type="radio"/> EIN <input type="radio"/> RAN			Agency Name: ER Dept Agency																																		
Address: 123 Hereford Drive			Agent Name: James Bond																																		
City, State, Zip: Angus, Iowa 77850			Address: 456 Amblance Rd																																		
Person Type: Limited Liability Co. (LLC)			City, State, Zip: Charolais, IA, 77851																																		
State in which articles of incorporation/organization are held: IA			Phone #:																																		
Phone #: Fax #:			Fax #:																																		
Email Address:			Email Address: 007@gmail.com																																		
Spouse's Name: Spouse's ID #:																																					
Is applicant at least 18 years old? <input checked="" type="radio"/> Yes <input type="radio"/> No		Name of Parent or Guardian:																																			
Other Changes		Reasons for Cancellation (Fill One)		Policy Information																																	
<input type="checkbox"/> Add/Change/Correct Insured's Authorized Rep. <input type="checkbox"/> Add or Remove SBI <input type="checkbox"/> Correct spelling of SB's Name(s)		<input type="checkbox"/> Mutual Consent <input type="checkbox"/> Death, Incompetence, or Dissolution <input type="checkbox"/> Insured's Request <input type="checkbox"/> Other		NAU Country Office (Assigned to Agency) <input type="checkbox"/> NAU-CA <input type="checkbox"/> NAU-KS <input type="checkbox"/> NAU-ND <input type="checkbox"/> NAU-FR <input checked="" type="checkbox"/> NAU-MN <input type="checkbox"/> NAU-NC <input type="checkbox"/> NAU-IA <input type="checkbox"/> NAU-MT <input type="checkbox"/> NAU-WI																																	
SBI Information: All persons with a substantial beneficial interest in you as defined in the applicable policy provisions																																					
<table border="1"> <thead> <tr> <th>Name</th> <th>Address</th> <th>City, State, Zip</th> <th>Telephone</th> <th>ID Number</th> <th>ID Type</th> <th>Person Type</th> <th>Share</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>						Name	Address	City, State, Zip	Telephone	ID Number	ID Type	Person Type	Share																								
Name	Address	City, State, Zip	Telephone	ID Number	ID Type	Person Type	Share																														
Please complete a SOCIAL SECURITY NUMBER AND EMPLOYER IDENTIFICATION NUMBER REPORTING form for additional substantial beneficial interest entities when applicable.																																					
<table border="1"> <thead> <tr> <th>Crop Year</th> <th>County</th> <th>Commodity: livestock or livestock product to be insured</th> </tr> </thead> <tbody> <tr> <td>2026</td> <td>Adair</td> <td> <input checked="" type="checkbox"/> Cattle <input type="checkbox"/> Dairy Cattle <input type="checkbox"/> Swine <input type="checkbox"/> Cattle <input type="checkbox"/> Dairy Cattle <input type="checkbox"/> Swine <input type="checkbox"/> Cattle <input type="checkbox"/> Dairy Cattle <input type="checkbox"/> Swine </td> </tr> </tbody> </table>						Crop Year	County	Commodity: livestock or livestock product to be insured	2026	Adair	<input checked="" type="checkbox"/> Cattle <input type="checkbox"/> Dairy Cattle <input type="checkbox"/> Swine <input type="checkbox"/> Cattle <input type="checkbox"/> Dairy Cattle <input type="checkbox"/> Swine <input type="checkbox"/> Cattle <input type="checkbox"/> Dairy Cattle <input type="checkbox"/> Swine																										
Crop Year	County	Commodity: livestock or livestock product to be insured																																			
2026	Adair	<input checked="" type="checkbox"/> Cattle <input type="checkbox"/> Dairy Cattle <input type="checkbox"/> Swine <input type="checkbox"/> Cattle <input type="checkbox"/> Dairy Cattle <input type="checkbox"/> Swine <input type="checkbox"/> Cattle <input type="checkbox"/> Dairy Cattle <input type="checkbox"/> Swine																																			

The Application is required, please key and submit timely

Policy Application/Transfer/Change Form and Specific Coverage Endorsement
Livestock Gross Margin Insurance - Cattle



Insured's Name: Bracker Breakneck Calves LLC		Agency Code: 12-121212	Agency Name: ER Dept Agency	Policy #: 123456							
List All Covered Marketings											
End. # 2	County: Adair	Practice/Insurance Period: Nov.-Sep.	Effective Date: 10/16/2025	Shareholder Name:							
Target Corn Weight:	52	Target Feeder Cattle Weight:	5.5	Target Live Cattle Weight:							
Target Marketings by Month (Enter Month)											
Type of Operation	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Deductible (\$/head)
Calf Finishing	300	0	30	0	0	0	0	0	0	0	70
End. #	County:	Practice/Insurance Period	Effective Date:	Shareholder Name:							
Target Corn Weight:		Target Feeder Cattle Weight:		Target Live Cattle Weight:							
Target Marketings by Month (Enter Month)											
Type of Operation	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Deductible (\$/head)
<input checked="" type="checkbox"/> The AD-1026 form has been filed with the FSA office for compliance with the Highly Erodible Land Conservation (HELC) and Wetland Conservation.											
Remarks:											
Authority to sign crop insurance documents on behalf of the Insured											
I grant the person(s) listed below the authority to sign any and all crop insurance documents on my behalf. I understand that by authorizing such persons to sign documents on my behalf I am legally bound by all terms and conditions of such documents and of the crop insurance contract. I also understand that granting the following person(s) the authority to sign on my behalf does not obligate that person(s) to the terms and conditions of my crop insurance contract. I further understand that this authorization may be revoked by me at any time upon written notice, signed and delivered to my Approved Insurance Provider.											
Name	Address	Telephone	Grant	Remove							
			<input type="checkbox"/>	<input type="checkbox"/>							
Power of Attorney/Authorized Representative											
County/Crop/Type	Date	Name	Address	Grant	Remove						
Adair/Cattle/803	07/01/2022	Dee Dancincalf	789 Feedlot Rd, Hay IA 12345	<input checked="" type="checkbox"/>	<input type="checkbox"/>						
				<input type="checkbox"/>	<input type="checkbox"/>						
				<input type="checkbox"/>	<input type="checkbox"/>						

Policy Application/Transfer/Change Form and Specific Coverage Endorsement
Livestock Gross Margin Insurance - Cattle



Insured's Name: Bracker Breakneck Calves LLC Agency Code: 12-121212 Agency Name: ER Dept Agency Policy #: 123456

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

- Yes No (a) Are you now indebted and the debt is delinquent for insurance coverage under the Federal Crop Insurance Act? Yes No (d) Are you disqualified or debarred under the Federal Crop Insurance Act, the regulations of the Federal Crop Insurance Corporation, or the United States Department of Agriculture?
- Yes No (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? Yes No (e) Have you ever entered into an agreement with the Federal Crop Insurance Corporation or with the Department of Justice that you would refrain from participating in programs under the authority of the Federal Crop Insurance Act and that agreement is still effective?
- Yes No (c) Have you ever had insurance coverage under the authority of the Federal Crop Insurance Act terminated for violation of the terms of the contract or regulations, or for failure to pay your delinquent debt? Yes No (f) Do you have like insurance on any of the above livestock?

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

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

Transfer & Cancellation

Name of Previous Ceding AIP (if any): _____ Policy # Under Previous AIP (if any): _____

I hereby authorize and direct the Ceding Approved Insurance Provider shown above to furnish any information relative to my insurance policy to the Assuming Approved Insurance Provider listed below. I understand that if coverage for any crop(s) is now terminated or would have subsequently terminated for indebtedness had this transfer not occurred, no coverage can be provided by the NAU Country Insurance Company.

I hereby request cancellation of my crop insurance policy for the crop(s) and crop year shown on this cancellation. I understand that if this form is not executed on or before the cancellation date for any crop year listed, the cancellation of insurance on such crop(s) will not become effective until the following crop year.

Part I I hereby request cancellation of my insurance policy with the above Ceding Approved Insurance Provider for the crop(s) and crop year(s) specified above because I have applied for insurance with another Approved Insurance Provider. I understand that if this form is not executed on or before the established cancellation date for any crops listed, the cancellation of insurance on such crop(s) will not become effective until the following crop year.

Part II By submission of this form, we agree to provide crop insurance to this applicant for the crop(s) and crop year specified above unless this form is not executed on or before the established cancellation date for any of the crop(s) shown, in which case insurance will be provided for such crop(s) for the following year.

Name of Assuming Agent: _____ Date of acceptance by Assuming Approved Insurance Provider: _____ Assuming AIP & Policy Issuing Company Code: _____
Address, City, St., Zip: _____

AIP Representative Printed Name and Signature: _____

Policy Application/Transfer/Change Form and Specific Coverage Endorsement
Livestock Gross Margin Insurance - Cattle



Insured's Name: Bracker Breakneck Calves LLC Agency Code: 12-121212 Agency Name: ER Dept Agency Policy #: 123456

COLLECTION OF INFORMATION AND DATA (PRIVACY ACT) STATEMENT - Agents, Loss Adjusters and Policyholders

The following statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a). The Risk Management Agency (RMA) is authorized by the Federal Crop Insurance Act (7 U.S.C. 1501-1524) and other Acts, and the regulations promulgated thereunder, to solicit the information requested on documents established by RMA or by approved insurance providers (AIPs) that have been approved by the Federal Crop Insurance Corporation (FCIC) to deliver Federal crop insurance. The information is necessary for AIPs and RMA to operate the Federal crop insurance program, determine program eligibility, conduct statistical analysis, and ensure program integrity. Information provided herein may be furnished to other Federal, State, or local agencies, as required or permitted by law, law enforcement agencies, courts or adjudicative bodies, foreign agencies, magistrate, administrative tribunal, AIP's contractors and cooperators, Comprehensive Information Management System (CIMS), congressional offices, or entities under contract with RMA. For insurance agents, certain information may also be disclosed to the public to assist interested individuals in locating agents in a particular area. Disclosure of the information requested is voluntary. However, failure to correctly report the requested information may result in the rejection of this document by the AIP or RMA in accordance with the Standard Reinsurance Agreement between the AIP and FCIC, Federal regulations, or RMA-approved procedures and the denial of program eligibility or benefits derived therefrom. Also, failure to provide true and correct information may result in civil suit or criminal prosecution and the assessment of penalties or pursuit of other remedies.

NON-DISCRIMINATION POLICY STATEMENT

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

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 Agency 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 may be made available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at www.usda.gov/about-usda/general-information/staff-office/office-assistant-secretary-civil-rights/how-file-program-discrimination-complaint and 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) 6329992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.

CERTIFICATION STATEMENT

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

INSURED'S CERTIFICATION AGAINST SUBSIDY CAPTURE I certify that I will not offset any insurance provided under this specific coverage endorsement through livestock contracts traded on commodity exchanges or with other means for the purpose of subsidy capture, and I acknowledge that if I violate this certification, I may be subject to administrative, civil or criminal sanctions.	AGENT'S CERTIFICATION AGAINST SUBSIDY CAPTURE I certify that I have not advised or assisted in any way with the purchase of any livestock contracts to offset insurance provided under this specific coverage endorsement for the purpose of subsidy capture, and I acknowledge that if I violate this certification, I may be subject to administrative, civil or criminal sanctions.
---	--

Insured's Name Bracker Breakneck Calves LLC	Date 05 / 21 / 2019	Agent's Name James Bond	Date 05 / 21 / 2019
By _____ Insured's Signature	Title (if applicable)	Agent's Signature	

Proof of time of signature is substantive for SCE received by the AIP after the end of the sales period.

LGM Cattle -Deductible

LGM Cattle deductibles range from \$0 to \$150 per head in \$10 per head increments

We know our first step is determining the deductible and how many head are to be covered, and in which months

Then we need to determine what the expected gross margins are for those months (cattle price over feeder cattle & corn price)

- There is a difference between 'Cattle Price' and 'Feeder Cattle Price'
 - Cattle Price - Expected selling price of Fed Cattle
 - Feeder Cattle Price - Expected acquisition cost of calves

To determine expected corn and feeder cattle prices we use the Chicago Mercantile Exchange

For expected cattle prices we look at CME Group *live cattle futures*

Here's an important distinction:

After we select our months to insure (**April**), the policy requires we move the months back when we are setting our corn and feeder cattle prices

Yearling Finishing

- Corn (2 months prior) **February Prices**
- **Feeder Cattle** (5 months prior) **November Prices**

Calf Finishing

- Corn (4 months prior) **December Prices**
- **Feeder Cattle** (8 months prior) **August Prices**

** This has no effect on the Live Cattle Price

November	Sign -UP
December	-----
January	0
February	0
March	0
April	1,000
May	0
June	0
July	0
August	0
September	0
October	0

LGM Cattle Input Costs

The months Matter

LGM Cattle – Expected Input Costs

Remember - we are insuring a margin in up to 10 months, and *each month is figured on it's own*

- If we sign up in January, we will need to determine a completely different margin in each of March, April, May ... we use the same formula with values unique the corresponding month in each month we cover

The formula is:

- **Expected Gross Margin** = **Cattle Price** (-) (**Corn Price** + **Feeder Cattle Price**) (using Expected Prices)

Let's look at how we get an expected Feeder Cattle, Corn Price

LGM Cattle – Determining Expected Prices

Expected corn, feeder cattle and live cattle prices for months in an insurance period are determined using settlement prices on CME Group futures contracts

JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
	Live Cattle		Live Cattle		Live Cattle		Live Cattle		Live Cattle		Live Cattle
Feeder Cattle		Feeder Cattle	Feeder Cattle	Feeder Cattle			Feeder Cattle	Feeder Cattle	Feeder Cattle	Feeder Cattle	
		CORN		CORN		CORN		CORN			CORN

LGM Cattle – Expected Corn Prices

Corn with unexpired futures contracts:

For months with unexpired futures contracts, the expected price is the CME Group futures daily settlement price for that month on the effective date

Corn with Expired futures contracts:

For months with expired futures contracts, the expected price is the simple average of daily settlement prices for the CME Group futures contract for that month in the last three trading days prior to contract first notice date

Corn in months without a futures contract:

For months without a futures contract, the futures prices used to calculate the expected price is the daily settlement futures price for the first succeeding contract month on the effective date

LGM Cattle – Expected Feeder Cattle Prices

Feeder Cattle with Unexpired Futures Contracts:

For months with unexpired futures contracts, the expected price is the CME Group futures daily settlement price for that month on the effective date

Feeder Cattle with expired futures contracts:

For months with expired futures contracts, the expected price is the simple average of daily settlement prices for the CME Group futures contract for that month in the last three trading days prior to contract expiration

Feeder Cattle in months without a futures contract:

For months without a futures contract, the futures prices used to calculate the expected price is the futures price for the first succeeding contract month

One of the values we have to determine in order to calculate the Expected Gross Margin is the expected cost of feed per head

Target
Corn
Weight



Expected
Corn
Price for
the Month

**LGM Cattle
Expected
Cost of Feed
per Head**

LGM Cattle – Expected Cattle Price

- Expected Gross Margin =
Cattle Price (-) Corn & Feeder Cattle Price (using Expected Prices)

In the following slide we will discuss the methodology used to calculate the Expected Cattle Price for months with unexpired futures contracts as well as months without a futures contract



For months with unexpired live cattle futures contracts:

The expected cattle price is the daily settlement price for the CME Group cattle futures contract for that month on the effective date, expressed in dollars per hundredweight

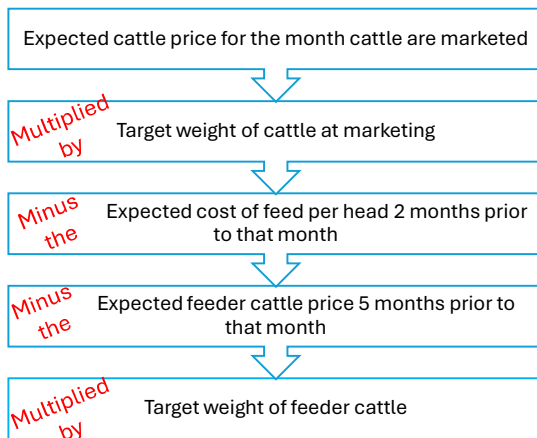
For months without a live Cattle Futures contract:

The futures prices used to calculate the expected cattle price is the futures price for the first succeeding contract month

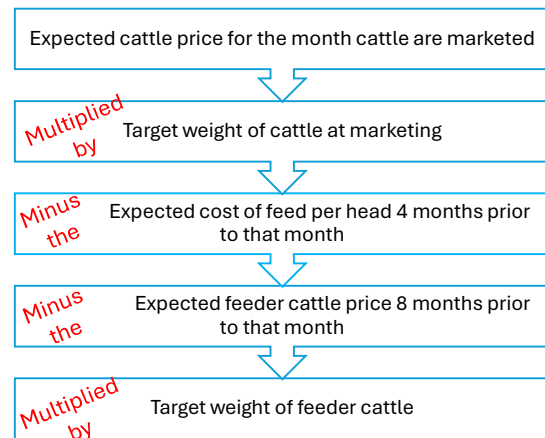
LGM Cattle Expected Cattle Price

LGM Cattle – Expected Gross Margin Per Head

Yearling Finish



Calf Finishing



LGM Cattle – Actual Gross Margin

- Once we have our margin/s determined for any/all of the 10 insurable months, the other half of the equation is to compare those **Expected Gross Margins** by month, to the actual market performance
- We do this by creating an **Actual Gross Margin** for each month as they pass. The concept of this is the exact same as the steps we took to find the **Expected Prices** and **Expected Gross Margins**

For months in which a CME Group Corn futures contract expires:

The actual Corn price is the simple average of the daily settlement prices in the last *Three* trading days prior to the contract first notice date for the CME Group corn futures contracts for that month expressed in dollars per bushel

For months when there is no expiring CME Group corn futures contract:

The actual corn price is the simple average of the daily settlement prices for the first succeeding contract month in the last three days prior to the start of the target month

LGM Cattle Actual Corn Price

For months in which a CME Group Feeder Cattle futures contract expires:

The actual feeder cattle price is the simple average of the daily settlement prices in the last Three trading days prior to the contract expiration date, expressed in dollars per hundredweight

For months when there is no expiring CME Group Feeder Cattle futures contract:

The actual feeder cattle price is the simple average of the daily settlement prices for the **first** succeeding contract month in the **last three** trading days prior to the **Start** of the target month

LGM Cattle Actual Feeder Cattle Price

Target
Corn
Weight



Expected
Corn
Price for
the Month

LGM Cattle Actual cost of Feed per Head

For months of February, April, June, August, October and December:

The actual cattle price is the simple average of the daily settlement prices in the last Three trading days prior to the contract first notice date for the CME Group Live cattle futures contracts

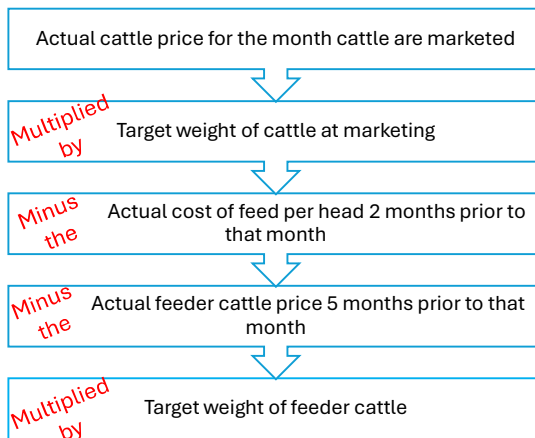
For months of January, March, May, July, September, and November:

The actual cattle price is the simple average of the daily settlement prices for the first succeeding contract month in the last three trading days prior to the end of the target month

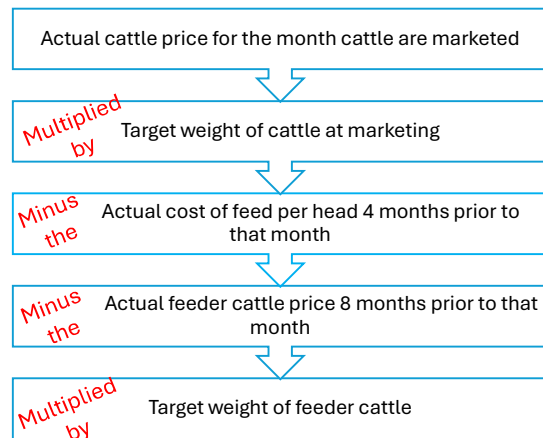
LGM Cattle Actual Cattle Price

LGM Cattle – Actual Gross Margin Per Head

Yearling Finish



Calf Finishing



LGM Cattle – Indemnity Summary

LGM Actual Indemnity:

- If *Total GMG > Total AGM* - Indemnity paid
 - GMG = Gross Margin Guarantee
 - AGM = Actual Gross Margin
 - Total refers to sum over all insured months



LGM No Indemnity

- If *Total GMG < Total AGM* No indemnity:
 - GMG = Gross Margin Guarantee;
 - AGM = Actual Gross Margin
 - Market conditions more favorable than existed at sign-up
 - Lower feeder cattle price, higher feed prices or both



LGM Cattle – Claim Process

If a loss is triggered, NAU will send 2 forms to the agent:

1. Notice of Probable Loss (NOPL)

- * This is completely filled in when it is sent out
- * It shows the deductible, GMG, AGM and the probable loss

2. Marketings Form

- * This form is where you indicate the actual production the producer had during the months they covered and validate it by showing the applicable receipts and must be submitted within 60 Days of receipt of NOPL

Both forms need to be signed and dated by the insured and agent and returned to NAU Country along with receipts proving production

Forms and documents can be sent to: Livestock.claims@naucountry.com

Notice of Probable Loss
Livestock Gross Margin - Cattle



1. Insured Information Name: Bracker Breakneck Calves LLC ID #: 12-349574 Address: 123 Hereford Drive Type: <input type="checkbox"/> SSN <input checked="" type="radio"/> EIN <input type="checkbox"/> RAN City, State, Zip: Angus, IA, 77850 Person Type: Limited Liability Co* Phone # _____ Fax #: _____ Email Address: BBC123@gmail.com Spouse's Name: _____ Spouse's ID #: _____		2. Agency Information Crop Year: 2026 Code: 12-121212 Name: ER Dept Agency Address: 456 Ambulance Rd City, State, Zip: Charolais, IA 77851 Phone #: _____ Fax #: _____ Email: _____ Agent Name: James Bond Email: 007@gmail.com		3. Policy Number: 123456 Claim #: 001 (Company Use Only) Date Notice of Probable Loss Issued: 02/10/2026 Endorsement Number: 2 NAU Country Office (Assigned to Agency) <input type="checkbox"/> NAU-CA <input type="checkbox"/> NAU-KS <input type="checkbox"/> NAU-ND <input type="checkbox"/> NAU-FR <input checked="" type="checkbox"/> NAU-MN <input type="checkbox"/> NAU-NC <input type="checkbox"/> NAU-IA <input type="checkbox"/> NAU-MT <input type="checkbox"/> NAU-WI Address: 7333 Sunwood Drive NW City, State, Zip: Ramsey MN 55303	
--	--	---	--	---	--

According to our records, you may be entitled to an indemnity under this policy endorsement based on the information presented below. The calculation of the indemnity is shown in the indemnity section below. In order to receive an indemnity, your signed Marketings Report and marketing receipts are required to certify that the terms and conditions of the policy have been met. Please contact your livestock insurance agent if the information on this form is incorrect or you have any questions.

Assignment of Indemnity? Yes No Transfer of Coverage and Right to an Indemnity? Yes No

3. Assignment of Indemnity/Transfer of Right to Indemnity
 Assignee's Name: _____ Assignee's SSN / EIN (circle one and enter) _____ Telephone # _____ Fax #: _____
 Street or Mailing Address: _____ City: _____ State: _____ Zip: _____

4. Indemnity Calculation
 If the actual gross margin is less than the expected gross margin, an indemnity is due.
 Insurance Period: Eleven Month Insurance Period Beginning Dec 2025 (Month, Year) Effective Date: 10/16/2025

Type of Operation	Target Marketings by Month (Enter Month)										
	Month 2 December	Month 3 January	Month 4 February	Month 5 March	Month 6 April	Month 7 May	Month 8 June	Month 9 July	Month 10 August	Month 11 September	
Yearling Finishing											
Call Finishing	300	0	30	0	0	0	0	0	0	0	
Probable Indemnity											
Deductible	Gross Margin Guarantee			Actual Gross Margin			Probable Indemnity				
70	\$446,997.00			\$366,626.00			\$80,371.00				

Notice of Probable Loss
Livestock Gross Margin - Cattle



Insured's Name: Bracker Breakneck Calves LLC Agency Code: 12-121212 Policy #: 123456
 Crop Year: 2026 Agency Name: ER Dept Agency

Authority to sign crop insurance documents on behalf of the Insured
 I grant the person(s) listed below the authority to sign any and all crop insurance documents on my behalf. I understand that by authorizing such persons to sign documents on my behalf I am legally bound by all terms and conditions of such documents and of the crop insurance contract. I also understand that granting the following person(s) the authority to sign on my behalf does not obligate that person(s) to the terms and conditions of my crop insurance contract. I further understand that this authorization may be revoked by me at any time upon written notice, signed and delivered to my Approved Insurance Provider.

Name	Address	Telephone	Grant	Remove
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>

Power of Attorney/Authorized Representative

County/Crop/Type	Date	Name	Address	Grant	Remove
Adair/ Cattle/803	07/01/2022	Dee Dancincalf	789 Feedlot Rd, Hay IA 12345	<input checked="" type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Assignment of Indemnity

County/Crop/Type	Date	Name	Address	Grant	Remove
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Transfer of Coverage and Right to an Indemnity

County/Crop/Type	Date	Name	Address	Grant	Remove
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>



Notice of Probable Loss

Livestock Gross Margin - Cattle



Insured's Name: Bracker Breakneck Calves LLC	Agency Code: 12-1212	Policy #: 123456
Crop Year: 2026	Agency Name: ER Dept Agency	
Remarks:		

COLLECTION OF INFORMATION AND DATA (PRIVACY ACT) STATEMENT - Agents, Loss Adjusters and Policyholders

The following statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a): The Risk Management Agency (RMA) is authorized by the Federal Crop Insurance Act (7 U.S.C. 1501-1524) or other Acts, and the regulations promulgated thereunder, to solicit the information requested on documents established by RMA or by approved insurance providers (AIPs) that have been approved by the Federal Crop Insurance Corporation (FCIC) to deliver Federal crop insurance. The information is necessary for AIPs and RMA to operate the Federal crop insurance program, determine program eligibility, conduct statistical analysis, and ensure program integrity. Information provided herein may be furnished to other Federal, State, or local agencies, as required or permitted by law, law enforcement agencies, courts or adjudicative bodies, foreign agencies, magistrate, administrative tribunal, AIP's contractors and cooperators, Comprehensive Information Management System (CIMS), congressional offices, or entities under contract with RMA. For insurance agents, certain information may also be disclosed to the public to assist interested individuals in locating agents in a particular area. Disclosure of the information requested is voluntary. However, failure to correctly report the requested information may result in the rejection of this document by the AIP or RMA in accordance with the Standard Reinsurance Agreement between the AIP and FCIC, Federal regulations, or RMA-approved procedures and the denial of program eligibility or benefits derived therefrom. Also, failure to provide true and correct information may result in civil suit or criminal prosecution and the assessment of penalties or pursuit of other remedies.

NON-DISCRIMINATION POLICY STATEMENT

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident. 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 Agency 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 may be made available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at www.usda.gov/about-usda/general-information/staff-offices/office-assistant-secretary-civil-rights/how-to-file-program-discrimination-complaint and 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) 6329992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.

CERTIFICATION STATEMENT

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

Insured's Name	Date 10 / 16 / 2025	Agent's Name	Date 10 / 16 / 2025
Bracker Breakneck Calves LLC		James Bond	
By <i>Bracker Breakneck Calves LLC by Dee Bracker EL President</i>		<i>James Bond</i>	
Insured's Signature	Title (if applicable)	Agent's Signature	

LGM Cattle – Marketing Report

- In the event of a loss, the producer must submit a Marketing Report and sales receipts showing evidence of actual marketing
- The producer must submit the **Marketing Report and documentation within 60 Days** of receipt of Notice of Probable Loss.



LGM Cattle Marketing Records

If *actual marketings* in a particular month exceed *target marketings* for that month, the insured may choose to provide only marketing records that verify the *actual marketings* are **not lower** than *target marketings*

Example: An insured has **1,000 head** covered for July, however, their actual marketings are 10,000 head for July. The insured only has to provide marketing records for **1,000 head**.

Marketings Report
Livestock Gross Margin - Cattle

CLAIMS ONLY

Marketing Report

Insured Information		Reinsurance Year: 2026	Agency Information		Policy Information						
Name: Bracker Breakneck Calves LLC ID #: 12-1212		State: IA	Agency Code: 12-1212		Policy Number: 123456						
Address: 123 Hereford Drive ID # Type: <input type="radio"/> SSN <input checked="" type="radio"/> EIN <input type="radio"/> RAN			Agency Name: ER Dept Agency		Claim Number: 1						
City, State, Zip: Angus, Iowa 77850		Is applicant at least 18 years old? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Agent Name: James Bond		NAU Country Office (Assigned to Agency) <input type="checkbox"/> NAU-CA <input type="checkbox"/> NAU-KS <input type="checkbox"/> NAU-ND <input type="checkbox"/> NAU-FR <input checked="" type="checkbox"/> NAU-MN <input type="checkbox"/> NAU-NC <input type="checkbox"/> NAU-IA <input type="checkbox"/> NAU-MT <input type="checkbox"/> NAU-WI						
Person Type: 			Address: 456 Amblance Rd								
Phone #: 123-456-7890 Fax #: 		City, State, Zip: Charolais, IA, 77851									
Email Address: BBC123@gmail.com		Phone #: 									
Spouse's Name: Spouse's ID #: 		Fax #: 									
Authorized Representative: 		Email Address: 007@gmail.com									
Farm or Business Name: 											
Copies of all marketing receipts and claim statements for the applicable marketing period must be attached to this Marketings Report.											
List All Covered Marketings											
Rec. #	2	County: Adair	Practice/Insurance Period: Nov.-Sep.	Effective Date: 10/16/2025	Approved Target Marketings: 330	Approval #: 335					
Type of Operation	Target Marketings by Month (Enter Month)										Deductible (\$/head)
	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	
Yearling Finishing											
Calf Finishing	300	0	30	0	0	0	0	0	0	0	70

2027 LGM Training

210

Marketings Report
Livestock Gross Margin - Cattle

CLAIMS ONLY



Marketing Report

Insured's Name: Bracker Breakneck Calves LLC	Agency Code: 12-1212	Policy #: 123456
Crop Year: 2026	Agency Name:	Claim #: 12456
Remarks:		
Conditions		Certification
Insured's Initials		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (a) I certify that the Actual Marketings stated in this Marketings Report reflect cattle that I have owned during the insurance period and have fed to finish weight using facilities that I control.
BBC (a) All of the information on this Marketings Report is true to the best of my knowledge.		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (b) I certify that I control adequate facilities to feed and finish the number of cattle reflected by the Actual Marketings stated in this Marketings Report.
BBC (b) I understand that falsifying information on this Marketing Report is a crime punishable by jail or fine.		<input checked="" 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 cattle sold and no premium will be refunded if the number of cattle sold is less than 75% of the Target Marketings stated in this Application.
BBC (c) Copies of all marketing receipts and claim statements are attached.		

COLLECTION OF INFORMATION AND DATA (PRIVACY ACT) STATEMENT - Agents, Loss Adjusters and Policyholders
The following statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a). The Risk Management Agency (RMA) is authorized by the Federal Crop Insurance Act (7 U.S.C. 1501-1524) or other Acts, and the regulations promulgated thereunder, to solicit the information requested on documents established by RMA or by approved insurance providers (AIPs) that have been approved by the Federal Crop Insurance Corporation (FCIC) to deliver Federal crop insurance. The information is necessary for AIPs and RMA to operate the Federal crop insurance program, determine program eligibility, conduct statistical analysis, and ensure program integrity. Information provided herein may be furnished to other Federal, State, or local agencies, as required or permitted by law, law enforcement agencies, courts or adjudicative bodies, foreign agencies, magistrate, administrative tribunal, AIP's contractors and cooperators, Comprehensive Information Management System (CIMS), congressional offices, or entities under contract with RMA. For insurance agents, certain information may also be disclosed to the public to assist interested individuals in locating agents in a particular area. Disclosure of the information requested is voluntary. However, failure to correctly report the requested information may result in the rejection of this document by the AIP or RMA in accordance with the Standard Reinsurance Agreement between the AIP and FCIC, Federal regulations, or RMA-approved procedures and the denial of program eligibility or benefits derived therefrom. Also, failure to provide true and correct information may result in civil suit or criminal prosecution and the assessment of penalties or pursuit of other remedies.

NON-DISCRIMINATION POLICY STATEMENT
In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.
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 Agency 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 may be made available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at www.usda.gov/about-usda/general-information/staff-offices/office-assistant-secretary-civil-rights-office/program-discrimination-complaint and 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) 6329992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.
USDA is an equal opportunity provider, employer, and lender.

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

Insured's Printed Name and Signature	Date
Printed Name: Bracker Breakneck Calves LLC	
Signature:	

2027 LGM Training

21
1



If total of actual marketings are less than 85% of total target marketing, indemnity will be reduced by percentage by which actual marketings fell below total of target marketings.

On the application we see that 3,095 total target marketings were covered. They need to actually market at least 85% of that, which is 2,630 head.

LGM Cattle – Determining Indemnities

Target Marketings by Month									
Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct
1000	0	500	0	500	1000	85	0	10	0

On the marketing report, the Insured indicated that they actually marketed 5,282 head of cattle. The totals are all that we need to compare. Their actual totals are higher than their total targets, so they meet the requirement of the policy.

Actual Marketings by Month									
Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct
1235	533	550	585	853	960	90	86	60	330

Target marketings for each specific month in the insurance period will be summed over all SCE's in all crop years when the month was insurable

2027 LGM Training

212



Quiz

Click the **Quiz** button to edit this object

What is included in LGM Cattle expenses when calculating gross margin?

- Transportation and marketing costs
- Labor and veterinary costs
- Corn feed and feeder cattle costs
- Local sale price differences



Sales/Submission Reminders

Plan	Sales begin after market close date	Sales close date	Time Endorsement must be received by NAU Country	Transfer date must be completed by
LRP	Wednesday, 7/1/26	Thursday, 7/2/26	8:25 am CT	6/30/26
DRP	Wednesday, 7/1/26	Thursday, 7/2/26	9:00 am CT	6/30/26
LGM – Cattle/Swine	Thursday, 7/2/26	Friday, 7/3/26	8:25 am CT	6/30/26
LGM - Dairy	Thursday, 7/9/26	Friday, 7/10/26	9:00 am CT	6/30/26

**▲ New for 2027 crop year: Weekend DRP sales have been removed
Friday sales will now begin when coverage prices are published on Friday
and end at 9:00 am CT on Saturday**

Note: DRP and LGM Dairy sales will be suspended on Thursday, July 2, 2026, due to the industry Dairy Products Report. No sales will be published on Friday, July 3, 2026, due to the federal holiday

Underwriting Reminders

Complete all forms

- All RMA-required fields must be fully completed
- Review the application carefully before submitting

Application required

- A completed application is required before writing any SCE/QCE

EWP entry

- Livestock agents must enter applications and endorsements in EWP
- All forms must be submitted on time

Document submission

- Submit all documents through the EWP Upload feature or to documents@naucountry.com
- Do not send documents to livestock inboxes or directly to underwriters

Mid-year transfers

- Mid-year transfers are not allowed
- Submit the application before writing coverage to confirm whether the producer has an active policy with another AIP

2026 GSH – Key Changes

- Paragraph 852A: Language was also added to Assignment of Indemnity Signature Requirements to waive the witness requirement if digitally signed by the creditor (or insured) Also updated in Exhibit 28D of the DSSH

A. Signature Requirements

In addition to the requirements in [Para. 854](#), if an Assignment of Indemnity is:

- (1) digitally signed by the insured **or creditor**, the witness requirement is waived. The AIP still has the option to request proof of debt or other pecuniary obligation before the Assignment of Indemnity is accepted.

2026 GSH – Key Changes

- **Paragraph 852G:** Added language around the Single Payee Agreement
- Also updated in Exhibit 39D of the DSSH

The AOI Single Payee Agreement is effective from the date the AIP accepts the Agreement until any of the following conditions occur:

The Assignment of Indemnity ends	The number of assignees changes	A Transfer of Coverage and Right to an Indemnity occurs after the Single Payee Agreement was executed	The Single Payee Agreement is cancelled	The insured and all assignees want to change the payee in the Single Payee Agreement
----------------------------------	---------------------------------	---	---	--

2026 GSH – Key Changes

- **Paragraph 854 & Exhibit 4:** A specific format is no longer required for signatures

854 Signatures

When reviewing signatures on any crop insurance documents, AIPs must verify that the signatory is authorized to sign on behalf of the insured person. A specific format is not mandated for signatures, see [Exh. 4](#) for a non-exhaustive list of examples.

Exhibit 4 Person Types and Documentation

The following chart provides a non-exhaustive list of examples of acceptable signatures and required documentation for person types. More information on signatures can be found in [Para. 854](#).

Person Type	Insured Person	Acceptable Signature Examples	Documentation Needed	Id Number
Individual	John C. Doe	John C. Doe	None	SSN of Individual
Individual Operating As a Business	Northam Land Company c/o John C. Doe	<ul style="list-style-type: none"> • Northam Land Company by John C. Doe, Sole Owner • by John C. Doe, Owner, Northam Land Company • Northam Land Company by John C. Doe, Sole Proprietor • John C. Doe, DBA Northam Land Company 	None	EIN FI 1 and 3

Acceptable Signature Types

GSH 854

- A POA or other legally sufficient document is required for any person who is authorized to sign on behalf of the required person
 - NAU Country requires ALL POAs to be notarized, including our own
- Acceptable signatures for crop insurance include the:
 - Signature of the required person (e.g., applicant, insured, or grantor);
 - Signature of the authorized representative (or attorney-in-fact) granted by a POA; and
 - Signature of the authorized representative granted by a legally sufficient document
- Verify all Authorized Representatives, Power of Attorney, and Individuals with Authority to Sign for accuracy

Signatures

- There has been considerable discussion on acceptable signature types over the past several years
- Effective for 2026, Paragraph 854 of the GSH added language emphasizing the importance of ensuring the signatory is authorized to sign on behalf of the person and that RMA is not mandating any specific format for signatures
 - **“When reviewing signatures on any crop insurance documents, AIPs must verify that the signatory is authorized to sign on behalf of the insured person. A specific format is not mandated for signatures, see Exh. 4 for a non-exhaustive list of examples.”**
- The GSH also states that upon request, the insured must be able to provide written documentation from the entity identifying the authorized representative of the entity
- Agents should collect this documentation at time of application and keep on file in their office – it will be required for any review

Digital Signatures

- Must submit a history log to validate the electronic (digital) signature (i.e., DocuSign, Adobe, etc.)
- Digital signatures done via a stylus or iPad are considered an acceptable signature
 - However, NAU still strongly suggests using an electronic signing software as can be found within EWP or with a third party such as DocuSign that generates a log containing verifiable date & time stamps, IP addresses, etc., insuring the timeliness and veracity of that signed document
- **MUST NOT** copy and paste signatures in any format on any platform (i.e., Adobe Acrobat, Microsoft Word, etc.)
- Contact your Underwriter for more information

Documentation and signature requirements

Person Type	Documentation Needed	2026 General Standards Handbook Information	Reference
Joint VENTURES, including Joint Operators and Co-Owners	None if all sign, or POA authorizing signature	The Application must be signed by all parties or by the authorized representative. If an authorized representative signs the Application, a written agreement must be executed by the members of the joint venture giving the representative the authority to sign on behalf of all parties. <u>The agreement is to be maintained by the AIP.</u>	2026 GSH Para. 254C
Partnership (Written Or Oral)	Statement signed by all partners certifying they are members of the partnership or copy of written partnership agreement signed by all partners. <u>The NAU Partnership Agreement form is acceptable.</u>	The Application must be signed by a person authorized to bind the Partnership into contracts. Upon request , the insured must be able to provide written documentation from the Partnership identifying the authorized representative of the Partnership. The <u>partnership agreement</u> must identify the authorized representative who may sign the Application. The authorized representative, identified by the partnership agreement, then assigns signatory authority using the non-substantive signatory statement to another person. The partnership agreement evidences the original agreement between the partnership and its authorized representative, and the non-substantive signatory evidences the assignment of this authority to another person.	2026 GSH Para. 253B 2026 GSH Para. 854C

Documentation and signature requirements

Person Type	Documentation Needed	2026 General Standards Handbook Information	Reference
Corporation (With Stockholders)	Statement where articles of incorporation/organization are filed. Indicate in which State incorporation was filed. Application must be signed by authorized person.	The Application must be signed by a person authorized by the corporation to bind the corporation into contracts. Upon request , the insured must be able to provide written documentation from the corporation identifying the authorized representative of the corporation.	2026 GSH Para. 255
Limited Liability Company (LLC)	Statement indicating which state the Articles of Organization are filed. Application must be signed by authorized person.	The Application must be signed by a person authorized to bind the LLC into contracts. Upon request , the insured must be able to provide written documentation from the LLC identifying the authorized representative of the LLC.	2026 GSH Para. 256
Estate	Statement advising where authority can be found	The Application provides coverage for the share owned by the estate and must be signed by the personal representative of the estate.	2026 GSH Para. 257
Trust - IRREVOCABLE	Statement advising where authority can be found	The Application must be signed by the administrator or fiduciary/trustee appointed to administer the business affairs of the trust.	2026 GSH Para. 258D
Trust - REVOCABLE	Statement advising where authority can be found		

Signature Authority Reminders

GSH 854

- GSH says for spouse or others to sign for insured, they must have POA or other “legally sufficient document”
- Signature statement on Application or Policy Change form serves as “legally sufficient document”
 - Not subject to State’s signature/notarization requirements so insured can utilize signature statement and not have to use a POA
- Spousal policies can use the signature statement versus a POA if you want the spouse to be able to sign on the policy
 - Must have one or the other for a spouse to sign
- Signature Authority Statements are not required for any entity type
 - Designed to be used when the named insured with initial signing authority wants to extend that to another person(s), such as a spouse or another member of a corporation or partnership
 - Other person does not have to be an SBI
 - Landlord can authorize the tenant to sign
 - Person authorized to sign must be identified in signature
 - *Alex Corporation by Frank Leeper, Authorized Signer*

2027 LGM Training

225



Power of Attorney

- Insureds may grant a third-party authority to sign crop insurance documents through a legally executed Power of Attorney form (POA)
- A legally executed POA must specify authority to sign for crop insurance purposes. Acceptable POAs may include:
 - NAU Country POA (preferred), with the Application
 - FSA POA that indicates authority to sign for FCIC crop insurance policies
 - Another AIP’s POA form, but completed for an NAU Country insured and policy
 - We cannot accept a POA that references the policy number assigned to the insured entity when with another AIP (e.g., the POA used by the other AIP before the policy transferred to NAU Country)
- POAs must be in the name of the insured entity, i.e. if the policy is set up as an EIN “Miller Farms” the POA cannot be in the name of Julia Miller
- NAU Country legal requires all POAs to be notarized
 - FSA POA must be notarized if not signed in front of an FSA witness
 - If it is signed in front of an FSA witness it does not have to be notarized
 - Non-FSA POAs do not have to be witnessed if notarized (unless otherwise required by State law)

2027 LGM Training

226



FSA Power of Attorney Clarification

- The FSA Power of Attorney can be used for FCIC policies as noted below, however, the use of this form **may** be used for private products such as Crop-Hail and Named Peril.
 - ONLY IF** they check box 7, and specify "Private Products by Signature"

This form may also be used to grant authority to an attorney-in-fact to act on the grantor's behalf with respect to FCIC crop insurance policies. Checking any of the FCIC transactions does not have any impact as to the FSA, NRCS or CCC transactions checked above.

C. INSURED CROPS/STATE/COUNTY (Enter "All" or specify each crop, state, county and year(s))	D. CROP INSURANCE TRANSACTIONS (Check applicable actions)
1. ALL	<input checked="" type="checkbox"/> 1. All actions.
2.	<input type="checkbox"/> 2. Making applications for insurance.
3.	<input type="checkbox"/> 3. Reporting crop acreage and production reports.
4.	<input type="checkbox"/> 4. Reporting a notice of damage or loss and making claim for indemnity.
	<input type="checkbox"/> 5. Making transfers and cancellations.
	<input type="checkbox"/> 6. Making contract changes.
	<input checked="" type="checkbox"/> 7. Other (Specify): Private Products by <i>Meagan P. [Signature]</i>

New (Green box with arrow pointing to box 7)

- Our NAU POA is applicable for MPCIC, Crop Hail, Supplemental and Livestock policies, as noted in the title of the form shown below. Please be aware of the potential differences in wording on POA forms that are not the NAU version.

Power of Attorney

Multiple Peril Crop Insurance, Named Peril, Crop Hail and Livestock

Additional Signature Authority Reminders

- On the Application, do not combine information between the SBI and Authority to Sign sections. They are completely different and should not be used interchangeably. If extra space is required, document the additional names on a separate piece of paper and attach it to the Application.
- Proactively** gather the required documents which support the individual authorized to sign on behalf of the entity
- If an SBI is not required, document this information as part of the Application
- If an SBI has the entity type that is NOT an Individual or Spousal/Married (i.e., Corporation, LLC, Partnership, Trust, etc.), the SBIs of that entity (name and SSN/EIN) must be listed on the Application

The information listed above will be requested during a compliance review.

Signature Authority Statement Limitations

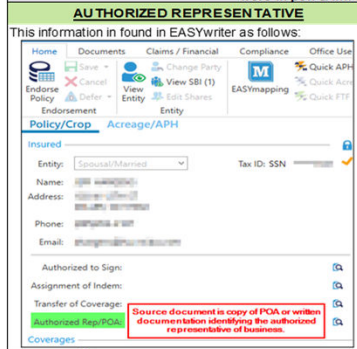
- Effective from date signature is obtained until the application changes
 - New application requires new authorizations
 - Example: A plan change from Revenue Protection (RP) to Pasture, Rangeland, Forage-Rainfall Index (PRF-RI) or Area Yield Protection (AYP) must be done by named insured and the Signature Authority on RP policy would be considered revoked and would not apply to PRF-RI or AYP policy
 - RP to Yield Protection (YP) could be done by person with Signature Authority
- Authorization is only for crop(s) listed on app/policy change form
 - Authorized person cannot add a crop to a policy, nor can he/she take out a new application or cancel/transfer the original application
 - Named insured must do this
 - Example: 2024 policy in Hayes County for corn and soybeans, want to take out a sunflower policy for 2025 in Hayes and Keith counties. Person with Signature Authority cannot add sunflowers in Hayes county or sign a new application for Keith county. Named insured must do so, and grant Signature Authority at the same time for the new crop and county.
- Use Policy Change form to revoke authorization
 - Death, disappearance, or incompetence of the grantor rescinds the statement

Authority to Sign EWP Summary

During a compliance review, the compliance advisor will verify that all documents were signed correctly by the entity type, including any authorized persons listed on the policy (as seen in EASYwriter - see examples below). Compliance will also verify that signatures were in pen & ink or were an acceptable electronic signature.

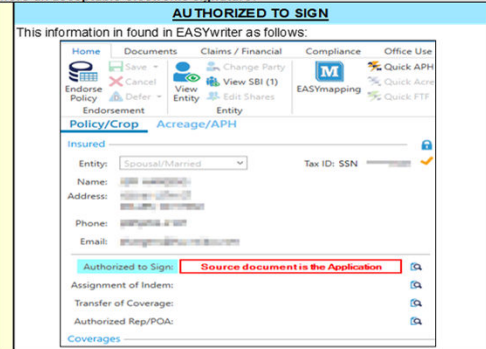
AUTHORIZED REPRESENTATIVE

This information is found in EASYwriter as follows:













AUTHORIZED TO SIGN

This information is found in EASYwriter as follows:



Below the screenshots is a table of Authorized Rep/POA information:

Authorized Rep/POA	Entity	Type of Authority	Signed Date	Expiration Date
				
				

A red box highlights the 'Authorized to Sign' field in the table with the text: 'Click this icon and the following screen appears. It designates between an Authorized Rep and a POA.'

UW Signatures Reminders

- **Authorized Signers & POA**
 - Review Authorized Reps, Power of Attorney (POA) and Authorized to sign every year
 - SBI's are not automatically Authorized Rep/Authorized Signers, they must be added to the policy if the insured grants authority to sign
 - Submit POA with the application to NAU
- **Electronic Documentation**
 - For electronic signatures, include Electronic Certification form to be considered complete
- **GSH signature table** is now a guideline

