Instructions to Complete Trust Fund Agreement Form PSD 2200

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

A trust fund agreement requires complete and correct information to be submitted to the Packers and Stockyards Division (PSD) on Form PSD 2200. If any information is missing or incorrect, the PSD will return the trust fund agreement form to the principal or financial institution for completion or correction.

Operating without proper registration and bond may subject the principal to severe civil penalties as authorized by law for each violation, and additional penalties for each day the violation continues (7 U.S.C § 203).

After completing the trust fund agreement, the trustee must retain the original along with the original security(s) pledged to the agreement, and send a fully executed copy of the trust fund agreement with original signatures and security(s) to the PSD regional office as listed below.

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

If you have any questions about the form or completing the form, please contact the PSD Regional Office that covers your area, as listed above.

The Packers and Stockyards Division regional office will assign the trust fund agreement number.

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

The Principal must complete lines 10a and 10b.

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

Line	Subject	Instruction	
<u>No.</u> 1	Principal Name, Address, Phone and Email	Enter the full name, address, (street, city, state, and zip+4), phone number and email of the principal. The principal's name must match the name under which the principal is registered with the PSD. Contact the Regional office that covers your area as listed above, if you need this information	
2	Trustee Name, Address, Phone and Email	Enter the full name, address, (street, city, state, and zip+4) phone number, and email of the trustee. A trustee must always be named for the trust fund agreement, and must be a financially responsible, disinterested person. Trustee's that may be named, are CPAs, bank or trust company officials, attorneys-at-law, officers of livestock exchanges or similar organizations, banks and trust companies, or their officers, or a State agency or official. If the bank issuing the collateral will not act as the trustee, the principal is responsible for finding a financially disinterested third party to act as trustee. The trustee cannot be anyone directly involved with the business of the principal.	
		Some States require a State agency or official to be named as trustee. Please contact the Regional Office covering your area for this information.	
3	Bank/Depository Name, Address, Phone and Email	Enter the full name, address, (street, city, state, and zip+4), phone number and email of the bank or other institution where the principal has deposited the funds pledged to the trust fund agreement.	
4 a and b	Security/Securities Account or Identification Number(s) and FDIC/NCUA ID Number		
5	Interest of Dividends to be Paid to	Enter the name of the individual or entity to receive interest or dividends earned. The principal may name anyone; however, this line MUST be completed.	
6 a and b	Amount of Trust Fund Agreement	Spell out the full dollar amount of the trust fund agreement. For example, if the full dollar amount of the trust fund agreement is \$10,000, list the amount as follows:a. Ten Thousand Dollars and No/100b. \$10,000.00	

Line No.	Subject	Instruction	
7	Condition Clauses	Line 7 defines the conditions applicable for livestock operations.	
		The firm shall check the appropriate box to indicate the correct condition clause as applies to its operation.	
		Examples of each of the condition clauses are:	
		Condition Clause 1 - The principal sells livestock for the account of others. (Registered as Selling Livestock on Commission)	
		Condition Clause 2 - The principal buys livestock for his/her own account or for the accounts of others. (Registered as Buying Livestock on Commission or as a Dealer)	
		Condition Clause 3 - The principal is providing bond coverage for other registrant(s), as clearee(s), and therefore is responsible for the obligations of the clearee(s). (Registered as Clearing Services) The registrant(s) name(s) to be listed as clearees under this surety bond should be inserted into the space available in condition clause 3.	
		Condition Clause 4 - The principal is purchasing livestock for purposes of slaughter, for his/her own account as a packer.	
		Each type of operation (defined through the condition clause) requires a separate trust fund agreement. The only instance a trust fund agreement will be accepted with multiple condition clauses selected are when the firm operates as both a dealer/order buyer and clearing agent, thereby providing a Clause 2/3 trust fund agreement.	
8	Effective Date	Enter the effective date of the Trust Fund Agreement.	
9 and b	Trustee Name and Signature	Trustee's Signature: The trustee or someone authorized to sign for the trustee must print and sign, where indicated. If the trustee is a state official, The Packers and Stockyards Division will obtain the trustee's signature where indicated on the form.	
10 a and b	Principal Name and Signature	Principal's Signature: The principal, or someone authorized to sign for the principal (i.e. partner, owner, or officer), must print and sign the true fund agreement.	
		 If an individual operation, the principal must print and sign the trust fund agreement. If a partnership operation, one of the partners must print and sign the trust fund agreement. If a corporation, Limited Liability Corporation, Limited Liability Partnership, or association, an officer, member, or duly authorized agent of the firm must print and sign the trust fund agreement. Electronic signatures are considered valid. 	

Line No.	Subject	Instruction
11 a and b	Depository by; Print Name, Title and then Signature	a. Name and title of the authorized officer of the bank or other institution, signing the form as depository.
		b. Signature of the officer of the bank or other institution where the principal has deposited the funds pledged to the trust fund agreement.