

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

BOND NO

**BOND REQUIRED OF LIVESTOCK MARKET AGENCIES,
DEALERS AND PACKERS UNDER THE PACKERS AND
STOCKYARDS ACT, 1921, AS AMENDED**

According to the Paperwork Reduction Act of 1995 no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information is 0580-0015. The time required to complete this information collection is estimated to average .75 hours (or minutes) per response, including the time to review the instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate (s) or suggestions for improving this form, please write to: U.S. Department of Agriculture, Clearance Officer, Stop 7602, 1400 Independence Ave., S.W., Washington, DC 20250-7602.

PRINCIPAL NAME AND ADDRESS

SURETY NAME AND ADDRESS

TRUSTEE (Need not be named unless required by State, Principal, or Surety)

AMOUNT OF BOND (Spell out dollar amount)

DOLLAR AMOUNT

\$

Principal and Surety, their heirs, executors, administrators, successors and assigns, jointly and severally, held and firmly bound to Trustee (or successors in official position, if any), as Trustee for all persons who may be damaged through breach of this bond, as Obligees.

Now, Therefore, the Condition of this Bond is such that:

**Applicable if Principal SELLS
on commission**

(1) If the said Principal shall pay when due to the person or persons entitled thereto the gross amount, less lawful charges, for which all livestock is sold for the accounts of others by said Principal,

**Applicable if Principal BUYS
on commission or as a dealer**

(2) If the said Principal shall pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by said Principal for his own account or for the accounts of others, and if the said Principal shall safely keep and properly disburse all funds, if any, which come into his hands for the purpose of paying for livestock purchased for the accounts of others,

**Applicable if others CLEAR
through Principal**

(3) If the said Principal, acting as a clearing agency responsible for the financial obligations of other registrants engaged in buying livestock, viz.: (insert here the names of such other registrants as they appear in the application for registration),

or if such other registrants, shall (1) pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by such other registrants for their own account or for the accounts of others and (2) safely keep and properly disburse all funds coming into the hands of such Principal or such other registrants for the purpose of paying for livestock purchased for the accounts of others,

**Applicable if Principal BUYS
as a Packer**

(4) If the said Principal shall pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by said Principal for his own account.

then this bond shall be null and void, otherwise to remain in full force and virtue, subject to the following terms, conditions, and limitations:

(a) This bond shall apply only to transactions occurring on or at any time after the date hereof, and before the effective date of termination hereof as hereinafter provided.

(b) Payment by the Surety to a claimant or to the Trustee in settlement of one or more claims shall discharge the Surety as to those claims and shall reduce the penal sum of this bond to the extent of such payment or payments.

(c) Any person damaged by failure of the Principal to comply with any condition clause of this bond, may maintain suit in his own name to recover on this bond even though such person is not a party named in this bond. The Trustee may maintain suit in his own name, the recovery to be made for the use of the persons damaged. Principal and Surety hereby waive every defense, if any there be, based on the fact that any person damaged or in whose name a suit shall be brought, is not a party or privy to this bond.

(d) Any claim for recovery on this bond must be filed in writing with either the Surety, or the Trustee if one is named, or the Packers and Stockyards Administration, United States Department of Agriculture, and whichever of these parties receives such a claim shall notify the other such party or parties at the earliest practicable date. All claims must be filed within 60 days of the date of the transaction on which claim is made. Suit thereon shall not be commenced in less than 120 days or more than 547 days (which is approximately 18 months) from the date of the transaction on which the claim is based.

(e) The Packers and Stockyards Administration, United States Department of Agriculture, is authorized to designate a Trustee to represent all claimants under this bond if (1) any claim is filed or any action is required to recover damages for breach of any condition of this bond, and if (2) a Trustee is not designated herein or the Trustee designated herein fails or is unable to act or serve.

(f) The Surety shall not be liable to pay any claim for recovery on this bond if it is not filed in writing within 60 days from the date of the transaction on which the claim is based, or if suit thereon is commenced less than 120 or more than 547 days (which is approximately 18 months) from the date of the transaction on which the claim is based.

(g) The proceeds of this bond shall not be used to pay fees, salaries, or expenses for legal representation of the Surety or the Principal.

(h) The term "person" as used in this bond shall be construed to mean and include both singular and plural, corporations, partnerships, associations, individuals, and the heirs, executors, administrators, successors, or assigns thereof.

(i) The acts, omissions or failures of authorized agents or representatives of said Principal or persons whom said Principal shall knowingly permit to represent themselves as acting for said Principal shall be taken and construed to be the acts, omissions, or failures of said Principal and to be within the protection of this bond to the same extent and in the same manner as if they were the personal acts of said Principal.

(j) Termination of the clearance of a registrant under condition clause 3 of this bond may be accomplished by issuance of a rider or endorsement by the Surety herein deducting the name of the clearee. Termination of the clearance shall become effective thirty (30) days after the date of receipt of the rider or endorsement by the Packers and Stockyards Administration.

(k) This bond may be terminated by either party hereto delivering written notice of termination to the other party and the Packers and Stockyards Administration at least thirty (30) days prior to the effective date of such termination. In the event that the Surety named herein writes a new bond to replace this bond for the same Principal named herein, the 30-day termination will be waived, and this bond will become terminated as of the effective date of the replacement bond. Immediately upon filing of a claim for recovery on this bond, unless the Surety believes that such claim is frivolous the Surety shall cause termination of this bond in accordance with this paragraph.

(l) A fully executed duplicate of this bond and of any endorsement, amendment, rider, or other attachment hereto, shall be filed with the Regional Supervisor, Packer and Stockyards Administration, for the area in which the Principal resides or has his or its principal place of business.

(m) Conditions _____ and _____ were deleted prior to execution and are not part hereof.

PRINCIPAL	(SEAL)	SURETY	(SEAL)
BY (Signature)		BY (Signature)	
TRUSTEE (IF NAMED)			
DATE EFFECTIVE			