

2027 Checklist to Assist with Livestock Claims: LRP – Feeder Cattle

The information below describes the documentation required to allow NAU Country Insurance Company to pay an indemnity under a Specific Coverage Endorsement on your 2027 livestock policy. Livestock documentation varies by the insured plan and commodity.

Any document provided which references you as the buyer, seller or owner of the covered livestock MUST be in the same name as the policy. Documents intended to show ownership of covered livestock that are not in the name of the policyholder may reduce your indemnity payment. Ownership interest in the covered livestock may include:¹

- (i) Livestock owned and raised by you.
- (ii) Unborn livestock, provided that you have an ownership interest in pregnant cows to which unborn livestock will be born;
- (iii) Livestock purchased and must include:²
 - (A) A valid livestock purchase agreement, entered into before the start of the insurance period; and
 - (B) A delivery receipt, trucking records reflecting the weight of livestock hauled, or a document from the seller of the livestock or auction service that states the date the livestock were delivered to verify you have taken possession of covered livestock no later than 90 days prior to the applicable SCE end date.

SOLD Feeder Cattle: ALL of the information listed must be on the documentation in order to be acceptable.	Documents verifying the sale of covered livestock during the insurance period or no later than 60 days (30 days for unborn calves type) after the end date must include the following information:³ ➤ Insured as Seller ➤ Purchaser ➤ Date sold ➤ Number of livestock sold ➤ Sex of livestock (sex-specific feeder cattle types only) ➤ Average weight of livestock sold. If livestock is sold under a purchase agreement, see right for requirements➔ (1) For livestock sold under a livestock purchase agreement with delivery period ending <u>not more than 60 days</u> after the SCE end date, you must provide bill of sale showing actual weight of sold livestock. (2) For livestock sold under a livestock purchase agreement with delivery period ending <u>more than 60 days</u> after the SCE end date, you must provide a certified statement signed by you attesting that the covered livestock were marketable at the end date.
UNSOLD Feeder Cattle: Covered livestock not sold within 60 days of the SCE end date, provided you do not have any fed or feeder cattle covered under another plan with the same or later end date.⁴	For feeder cattle <u>raised by you</u>, that you have not purchased or otherwise obtained by other means, acceptable documents verifying ownership interest could include: ➤ Financing and credit documents secured by the covered livestock; or ➤ Other documents that are related to the covered livestock operation (such as purchase records for cows that covered livestock are born to, or tax records from the previous years, herd records, or similar business records, etc.); or ➤ Certified written statements from disinterested third parties such as feed suppliers, lenders, or veterinarians who have visited the farm or ranch, who visually identified the livestock listed on the SCE (or cows that covered livestock are born to) and can attest to your ownership of the identified livestock prior to the end date. For feeder cattle <u>purchased by you</u>, acceptable documents verifying ownership interest include: ➤ Livestock purchase agreements or bills of sale, entered into on or <i>before the SCE effective date</i> and specifying you as the buyer; and ➤ A delivery receipt, trucking records reflecting the weight of livestock hauled, or a document from the seller of the livestock or auction service that states the date the livestock were delivered to verify you have taken possession of covered livestock no later than 90 days prior to the applicable SCE end date.
UNBORN Feeder Cattle: Proof of ownership interest in the adult female <u>cows</u> to which covered livestock were born <u>AND</u> documents verifying ownership of the <u>covered (unborn) livestock</u> insured under the SCE⁵ are required.	For livestock SOLD within 60 days of the SCE end date and owned by you (i.e. in your physical possession) on the SCE end date, see SOLD Feeder Cattle section above. For covered unborn livestock NOT SOLD within 60 days of the SCE end date, acceptable documents verifying ownership interest include:⁴ ➤ Financing and credit documents secured by the covered livestock; or ➤ Other documents that are related to covered livestock (such as purchase records for cows that covered livestock are born to, or tax records from the previous years, etc.); or ➤ Certified written statements from disinterested third parties such as feed suppliers or veterinarians who have visited the farm or ranch, who visually identified the livestock listed on the SCE (or cows that covered livestock are born to) and can attest to your ownership of the identified livestock prior to the end date. Specific to Feeder Cattle, Unborn Calves:⁶ ➤ Documents verifying the sales must be provided not earlier than 30 days before the SCE end date and no later than 30 days after the SCE end date. ➤ In lieu of the weight requirements listed in the SOLD Feeder Cattle section above, marketing records do NOT need to show the weight of the livestock sold. If the marketing records DO show weight: ▪ The weight must be consistent with sale occurring 2 weeks after birth ▪ Any animals with weight in excess of 135# must not be counted as sold livestock, unless insured can demonstrate such weight is consistent with the sale occurring within two weeks after birth. ➤ Affidavits / retained ownership records are not accepted.

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Forage Disaster Exemption (formerly Drought Hardship Exemption):⁷ Applies to the county and state where livestock is located as declared on the SCE.	The exemption applies when the Drought Severity and Coverage Index (DSCI) either substantially increased during the insurance period OR a high DSCI persisted during the grazing period. To qualify, you must have an ownership interest in the disposed of or sold livestock, even if covered livestock were disposed of or sold more than 60 days prior to the SCE end date. Documentation you must provide to NAU includes: ➢ Valid marketing records ➢ Information on initial and final DSCI ➢ If the covered livestock is prevented from grazing due to a fire or natural disaster: ▪ The grazing land is located in a county or area subject to a federal, state, or local declaration, designation, order, advisory, or closure relating to a fire or natural disaster that occurs or materially worsens during the coverage period; and ▪ Certification that the declared event or ordered action, or the conditions giving rise to it, prevented grazing or made grazing not reasonably possible on the grazing land where the covered livestock were located or intended to be located. • The certification must state the approximate dates during which grazing was prevented.
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If covered livestock are seized, quarantined, destroyed, or are not deliverable due to death or disease at any time during the insurance period, you must contact NAU **within 72 hours after your knowledge of the livestock's death.**⁸

If the covered livestock were purchased using a forward contract or a similar livestock purchase agreement with the insured as a buyer, documentation must include:⁹

- (1) The last day of the delivery period (specified in the livestock purchase agreement); AND (2) The delivery date.

Definitions:¹⁰

- **Livestock purchase agreement** - A legal contract to purchase a set number of livestock at an agreed-upon price or pricing formula, specifying the weight or weight range, sex (for sex-specific feeder cattle types only), and designating a delivery or pick-up date period.
- **Bill of sale** - Documentation that verifies the transfer of ownership of a specified number of livestock to a buyer, including the price, average weight and the date of transaction.

Additional tips to expedite processing:

- **Do not submit original documents**, provide copies only.
- If there are **multiple endorsements (claim forms)**, sort and group records by endorsement and label properly.
- **Sign & return** the claim form(s) within (60) days from the date NAU provides you with the claim form(s).¹¹

NOTE: Failure to provide sales or ownership records for any covered livestock may result in no indemnity due because of a breach of this policy. You will still be responsible for the full premium owed.¹²

References:

¹ 2027 LRP Basic Prov., Sec. 6(a)(1)

³ 2027 LRP Basic Prov., Sec. 6(a)(2)(i)(A)-(D); 2026 LRP Ins. Std. Handbk, Para. 21(C)(2)(a)

⁵ 2027 LRP Ins. Std. Handbk, Para. 21(C)(2)(c)

⁸ 2027 LRP Basic Provisions, Section 6(e)(2)

¹¹ 2027 LRP Basic Provisions, Sec. 9(b)

⁶ 2027 LRP Ins. Std. Handbk, Para. 23(B)(4)

⁹ 2027 LRP Ins. Std. Handbk., Exhibit 3

¹² 2027 LRP Basic Provisions, Section 6(f)(3)

² 2027 LRP Basic Prov., Sec. 6(a)(2)(v)

⁴ 2027 LRP Basic Prov., Sec. 12(c)(2)-(3) & Sec. 6(a)(2)(ii)

⁷ 2027 LRP Feeder Cattle End., Para 3(b)

¹⁰ 2027 LRP Basic Provisions, Definitions