



February 13, 2012

Dear Valued Agent,

On May 22, 2008, the 2008 Farm Bill became law. Section 12005, "Controlled Business Insurance" of the 2008 Farm Bill amended the Federal Crop Insurance Act by adding a new section 508(a)(10). This change defined **Immediate Family** and requires all individuals that received compensation, directly or indirectly, for the service or sale of any policy or plan to certify to their AIP that the compensation they received was in compliance with the new amendment.

With this letter, you will find two forms created to document these requirements: the Individual Controlled Business Certification form and the Affiliate Controlled Business Certification form.

1. It is the responsibility of the agency to distribute and collect the Individual Controlled Business Certification form from any persons that have received compensation from ProAg. **The Individual Controlled Business Certification forms must be sent back to your ProAg Regional Office no later than April 2, 2012.** These forms will be scanned into the ProAg Processing System under the individual agent record. A copy should also be maintained at your office.
2. Once all Individual Controlled Business Statements are collected, **it is the responsibility of the owner or an officer of the agency to sign the Affiliate Controlled Business Certification, and return the certification form to ProAg by April 2, 2012.** Please send this form back to your ProAg Regional Office. The form will be scanned into the ProAg Processing System under the Agency Master record. A copy should also be maintained at your office.

We are posting both forms on our ProPortal and on our website, www.proag.com, for your convenience. Please do not hesitate to contact your ProAg Regional Office with questions or comments. We thank you for the opportunity to work with your agency.

Respectfully,

ProAg National Operations

www.ProAg.com

THE PAST, PRESENT AND FUTURE OF AGRICULTURAL RISK MANAGEMENT®

The insurance products offered by Producers Ag Insurance Group, Inc., d/b/a ProAg®, may not be a complete list of all products offered and may not be offered in all states. ProAg prohibits discrimination on the basis of race, color, national origin, sex, religion, disability, political beliefs, and marital or familial status.



INDIVIDUAL CONTROLLED BUSINESS CERTIFICATION

Producers Ag Insurance Group, Inc.,
2025 South Hughes, Amarillo, TX 79109

Date _____

Page 1 of 2

INDIVIDUAL'S NAME:	
IDENTIFICATION NUMBER:	INDIVIDUAL'S TITLE/POSITION:

To cover the 2011 reinsurance year, beginning July 1, 2010, and ended June 30, 2011.

MUST BE SUBMITTED to the Company by **APRIL 2, 2012.**

Certification Statement

For the 2011 reinsurance year, beginning July 1, 2010 and ended June 30, 2011.

This certification is required for all individuals (including subagents) who receive compensation (including any salary, commission, profit sharing, bonus, or any other direct or indirect benefit) for the sale or service of policies or plans of insurance reinsured by FCIC.

Immediate Family means an individual's father, mother, stepfather, stepmother, brother, sister, stepbrother, stepsister, son, daughter, stepson, stepdaughter, grandparent, grandson, granddaughter, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, the spouse of the foregoing, and the individual's spouse.

Please certify to the following as it applies to you:

- I **DID NOT** receive compensation (including any salary, commission, profit sharing, bonus, or any other direct or indirect benefit), for the sale or service of policies or plans of insurance reinsured by FCIC for which I or an immediate family member (as defined) have a substantial beneficial interest.
- I **DID** receive compensation (including any salary, commission, profit sharing, bonus, or any other direct or indirect benefit), for the sale or service of policies or plans of insurance reinsured by FCIC for which I or an immediate family member (as defined) have a substantial beneficial interest.

If you did receive compensation (including any salary, commission, profit sharing, bonus, or any other direct or indirect benefit), for the sale or service of policies or plans of insurance reinsured by FCIC for which you or your immediate family member have a substantially beneficial interest, please certify to the following as it applies to you:

- The total amount of compensation (including any salary, commission, profit sharing, bonus, or any other direct or indirect benefit) for the sale or service of policies or plans of insurance reinsured by FCIC for which I or an immediate family member (as defined) have a substantial beneficial interest, **DOES NOT** exceed 30 percent of the total compensation I have received for the sale or service of all FCIC policies or plans of insurance nor exceeds any applicable State specific limitation.
- The total amount of compensation (including any salary, commission, profit sharing, bonus, or any other direct or indirect benefit), for the sale or service of policies or plans of insurance reinsured by FCIC for which I or an immediate family member (as defined) have a substantial beneficial interest, **DOES** exceed 30 percent of the total compensation I have received for the sale or service of all FCIC policies or plans of insurance or exceeds any applicable State specific limitation.



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.

NONDISCRIMINATION STATEMENT

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write to: USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

PRODUCERS AG INSURANCE GROUP PRIVACY NOTICE

The Producers Ag Insurance Group (ProAg Group) is committed to respecting the individual privacy of our policyholders and their significant beneficial interest owners (Customers). We collect nonpublic personal information about Customers from information we receive from them such as information provided on applications or other forms, which may include name, address and social security numbers and from third parties such as a consumer reporting agency. To serve our Customers and to service our business our employees have access to Customers personal information in the course of doing their jobs and we may share or disclose non-public personal information about the Customers to affiliates within the ProAg Group or with non affiliated third parties with whom we have a contractual relationship such as agencies within the United States Department of Agriculture, with your insurance agent and other insurance companies or with banks where a written permission to transfer such information has been granted by the policyholder. We may also share non-public personal information with affiliates and with non-affiliated third parties as permitted by law. The ProAg Group will not sell or share your personal information with anyone for purposes unrelated to our business functions with out our offering to the Customer the opportunity to "opt-out" or to "opt-in" as required by law.

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).

Print Name: _____ Social Security Number: _____

Signature: _____ Date: _____

Title or Position: _____

Name of Affiliate or Contractor, if Applicable: _____



Producers Ag Insurance Group, Inc.,
2025 South Hughes, Amarillo, TX 79109

MULTIPLE PERIL CROP INSURANCE AFFILIATE CONTROLLED BUSINESS CERTIFICATION

Date _____ Page ____ of ____

AFFILIATE'S NAME:

OFFICER/OWNER'S TITLE/POSITION:

To cover the 2011 reinsurance year, beginning July 1, 2010, and ended June 30, 2011.

MUST BE SUBMITTED to the Company by **APRIL 2, 2012.**

Certification Statement

For the 2011 reinsurance year, beginning July 1, 2010 and ended June 30, 2011.

The officer or owner of the affiliate who affixes their signature to this certification has the authority to sign on behalf of the affiliate, and has been designated by **Producers Ag Insurance Group** to receive all certifications required under section 508(a)(10)(C) of the Federal Crop Insurance Act (Act).

I hereby certify that one of the following is true and accurate:

- All individuals (including subagents), who received, directly or indirectly, any compensation through the affiliate for the service or sale of any eligible crop insurance policy/contract in the above referenced reinsurance year, have submitted certifications and all individuals certified that the total amount of compensation they received did not exceed the amount allowed under section 508(a)(10)(B) of the Act; or
- One or more individuals are not in compliance with the requirements of section 508(a)(10)(B) of the Act because
 - The individual did not submit an "Individual Controlled Business Certification";
 - The individual certified the total amount of compensation exceeded the amount allowed under section 508(a)(10)(B) of the Act; or
 - The affiliate has discovered the individual incorrectly certified to being in compliance with the compensation limitation under section 508(a)(10)(B) of the Act.

If the affiliate has certified that one or more individuals are not in compliance with the requirement of section 508(a)(10)(B) of the Act, a list of all individuals not in compliance, separated in to each of the 3 categories specified above must be provided to **Producers Ag Insurance Group** no later than **April 2, 2012.**



Producers Ag Insurance Group, Inc.,
2025 South Hughes, Amarillo, TX 79109

MULTIPLE PERIL CROP INSURANCE AFFILIATE CONTROLLED BUSINESS CERTIFICATION

Date _____

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Name of Affiliate: _____

Print Name: _____

Signature: _____

Date: _____

Title or Position: _____