



Wisconsin Department of Agriculture, Trade and Consumer Protection
Division of Trade and Consumer Protection, Bureau of Business Trade Practices, Producer Security Section-Grain
P.O. Box 8911, Madison, WI 53708-8911

Certificate of Insurance - Grain Warehouse Keeper and/or Grain Dealer
Property Insurance for Grain in Custody - Liability Insurance for Grain Operations

Name & Mailing Address of Grain Warehouse Keeper and/or Grain Dealer

Name and Address of Insurance Company

Blank lines for entering Name & Mailing Address of Grain Warehouse Keeper and/or Grain Dealer and Name and Address of Insurance Company.

1. Does the grain warehouse keeper and/or grain dealer maintain fire and extended coverage insurance insuring all grain in custody, regardless of ownership, at the full local market value of the grain?

YES \_\_\_\_\_ NO \_\_\_\_\_

[This kind of insurance is required under Wis. Stats. §§ 126.27(1) and 126.12(1)]

Complete the following Information:

Policy No. \_\_\_\_\_ Storage Location(s) \_\_\_\_\_
Expiration Date \_\_\_\_\_ Liability Limits \_\_\_\_\_
Perils Covered \_\_\_\_\_

Basis of Coverage: Monthly Inventory Reporting \_\_\_\_\_ Flat Maximum Coverage \_\_\_\_\_

The following questions pertain only to a grain warehouse keeper that is storing grain owned by others (pursuant to Wis. Stats. § 126.27(3)):

2(a). Does the policy (described above) have a deductible that affects the pay-out for losses involving grain?

(The Insurer is obligated to pay to each depositor the full value of the depositor's covered losses under the policy.) YES \_\_\_\_\_ NO \_\_\_\_\_

2(b). If the answer to 2(a) is "YES", is the deductible WAIVED for losses involving grain?

(The insured may indemnify the insurer for a portion of each depositor claim.) YES \_\_\_\_\_ NO \_\_\_\_\_

If the answer to 2(a) is "YES" and the answer to 2(b) is "NO", the insurance policy described above DOES NOT comply with Wis. Stats. § 126.27(1).

See the reverse side for sample policy endorsement language that will make a policy with a deductible (for losses involving grain) compliant with Wis. Stats. § 126.27(1).

REMARKS:

The policies to which this certificate applies are written to meet the minimum requirements of Wis. Stats. §§ 126.27 and 126.12. In the event of the amendment, cancellation, expiration, endorsement, alteration, transfer or assignment in the fire and extended coverage policies to which this certificate applies, it is understood and agreed that thirty (30) days notice in writing will be given, in person or by certified mail, to the Wisconsin Department of Agriculture, Trade and Consumer Protection, Producer Security Section-Grain at its offices at 2811 Agriculture Drive, PO Box 8911, Madison WI 53708-8911.

Insurance Agent Name and Mailing Address:

Insurance Company

Signature or Authorized Representative

Date Signed:

If more than one insurance company provides coverage for any storage location, a separate certificate must be filed by each such company.

This form is authorized under Wis. Stats. ch. 126. The department will not issue or renew a grain warehouse keeper license without proof that the applicant is insured as required under Wis. Stats. § 126.27. The proof may consist of a certification provided by an insurance company licensed to do business in this state. This form contains personally identifiable information which may be used for purposes other than that for which it was collected, but only as authorized by law (Wis. Stats. § 15.04(1)(m)). The department may deny a grain dealer application if the applicant does not maintain insurance required by Wis. Stats. § 126.12.

Wis. Stats. § 126.27: Grain Warehouse Keepers Insurance

**(1) Warehouse Keeper / Fire & Extended Coverage Insurance**

A grain warehouse keeper licensed under Wis. Stats. § 126.26(1) shall maintain fire and extended coverage insurance, issued by an insurance company authorized to do business in this state, that covers all grain in the custody of the grain warehouse keeper, whether owned by the grain warehouse keeper or held for others, at the full local market value of the grain.

**(2) Warehouse Keeper / Cancellation & Replacement Insurance**

(a) No person may cancel an insurance policy required under sub. (1) unless that person serves a written notice of the intended cancellation on the department at least 30 days before the cancellation takes effect.

(b) Whenever an insurance policy under sub. (1) is canceled, the grain warehouse keeper shall replace the policy so that there is no lapse in coverage. Within 20 days after a cancellation notice under par. (a) is served on the department, and at least 10 days before the cancellation takes effect, the grain warehouse keeper shall provide the department with proof of the replacement policy. The department may accept, as proof, a certification provided by an insurance company licensed to do business in this state.

**(3) Warehouse Keeper / Insurance Deductibles**

An insurance policy does not comply with sub. (1) if it contains any deductible clause that limits the insurer's obligation to pay to each depositor the full value of the depositor's covered losses under the policy. The grain warehouse keeper may agree to indemnify the insurer for a portion of each depositor claim that the insurer pays under the policy if the agreement does not limit the insurer's obligation to pay each depositor the full amount of the depositor's covered losses.

**(4) Warehouse Keeper / Insurance Disclosure to Depositors**

A grain warehouse keeper licensed under Wis. Stats. § 126.26(1) shall disclose all of the following to a depositor if the depositor requests that information:

(a) The material terms of the grain warehouse keeper's fire and extended coverage insurance policy under sub. (1).

(b) Whether the grain warehouse keeper has liability insurance covering the grain warehouse keeper's grain operations, and the material terms of that liability insurance policy.

**(5) Warehouse Keeper / Insurance Coverage & Misrepresentation**

No grain warehouse keeper may misrepresent any of the following to the department or a depositor:

(a) That the grain warehouse keeper is insured.

(b) The nature, coverage, or material terms of the grain warehouse keeper's insurance policy.

Wis. Stats. § 126.12: Grain Dealers Insurance

**(1) Grain Dealer / Fire & Extended Coverage Insurance**

A grain dealer licensed, or required to be licensed, under § 126.11 shall maintain fire and extended coverage insurance, issued by an insurance company authorized to do business in this state, that covers all grain in the custody of the grain dealer, whether owned by the grain dealer or held for others, at the full local market value of the grain.

**(2) Grain Dealer / Cancellation & Replacement Insurance**

Whenever an insurance policy under sub. (1) is canceled, the grain dealer shall replace the policy so that there is no lapse in coverage.

**(3) Grain Dealer / Insurance Coverage & Misrepresentation**

No grain dealer may misrepresent any of the following to the department or to any grain producer or producer agent:

(a) That the grain dealer is insured.

(b) The nature, coverage, or material terms of the grain dealer's insurance policy.

SAMPLE Waiver of Deductible on Commodities (endorsement):

It is agreed, subject to all other terms and conditions of this policy and in consideration of the premium charged, because The Commodity Credit Corporation, United States Department of Agriculture and various state regulatory bodies require full coverage on commodities held for others under a storage agreement, this company agrees that, irrespective of the terms of the deductible provisions of this policy, the amount of loss or damage to such commodities will be paid in full.

SAMPLE Indemnity Agreement on Commodities (endorsement):

Because the Commodity Credit Corporation, United States Department of Agriculture and various state regulatory bodies require full coverage on commodities handled under our warehouse agreements and regulations, we do hereby agree to reimburse and indemnify this company, for all or any part of the deductible amounts shown in the form to which this endorsement is attached in the event such deductible amounts are paid because of the provisions of the waiver of deductible clause.