

Instructions for Completing Optional PSP Form 343

Packers may use optional form P&SP-343 to document a basic set of contract terms for verbal contracts.

Packers as defined in 9 CFR 206.1 must provide written descriptions for all terms of a verbal contract and attach that written description to form P&SP-342. This form may be used as that written description.

A verbal contract includes purchases of swine by a packer from a producer under which:

- 1) The purchase is not a negotiated purchase. That is, the transaction
 - a) Results in a price to be determined at a later date, or
 - b) Establishes delivery dates more than 14 days after the date on which the swine are committed to the packer
- 2) The terms of the purchase are not formally documented.

If you have any questions about the form or completing the form, please contact the Midwestern Regional office using one of the following methods.

Phone	Email	Fax
515-323-2579	SwineContractLibrary@usda.gov	515-323-2590
request to speak to the Swine Contract Library staff		attention Swine Contract Library staff

Line	Subject	Instruction
1	Base Price Determination	A description of terms used to determine base price. This may include a complete description of any reports used and adjustments made to the reported price. For example: AMS National Daily Direct Hogs Morning, Base Market Hog, plus \$1.00
2	Application of Ledger	The terms of the ledger or accrual account. This may include the window or target price and terms regarding application of ledger conditions.
3	Carcass Merit Premiums and Discounts	A description of the carcass merit premiums and discounts. This may include the determination of lean percent or other characteristics of the carcass that are used to determine the amount of the premiums and discounts and how those premiums and discounts are applied.
4	Noncarcass Merit Premiums and Discounts	A description of any noncarcass merit premiums and discounts used. For example: \$1.50 for delivery before 7:00 am.
5	Length of Agreement	The term or length of the verbal agreement.
6	Other Provisions	A description of any other conditions or terms.