Crop Insured
You can insure cigar binder tobacco if:
- It is grown on insurable acreage;
- Premium rates are provided; and
- You have a share.

Counties Available
See counties available in the actuarial documents at webapp.rma.usda.gov/apps/actuarialinformationbrowser2018/CropCriteria.aspx. The crop may be insurable in other counties by written agreement if specific criteria are met. Contact an insurance agent for more details.

Causes of Loss
You are protected against the following:
- Adverse weather conditions such as hail, frost, freeze, wind, drought, and excess moisture;
- Failure of irrigation water supply, if caused by an insured cause of loss during the insurance period;
- Fire, if due to natural causes;
- Insects and plant disease, but not damage due to insufficient or improper application of pest or disease control measures; or
- Wildlife.

Insurance Period
Insurance coverage begins on the later of:
- Date we accept your application; or
- Date when the tobacco is planted.
Insurance coverage ends at the earliest of:
- Total destruction of the tobacco on the unit;
- Removal of the tobacco from the unit where grown except for curing, grading, and packing;
- Final adjustment of a loss;
- Abandonment of the crop; or
- April 30, 2019.

Important Dates
- Sales Closing/Cancellation ........ March 15, 2018
- Final Planting ................................. July 10, 2018
- End of Late Planting Period ............ July 25, 2018
- Acreage Reporting ............................ July 15, 2018
- Premium Billing ............................... January 1, 2019
- Production Reporting ...................... April 29, 2019

Reporting Requirements
Acreage Report - You must report all of your cigar binder tobacco acreage in the county by the acreage reporting date.

Coverage Levels and Premium Subsidies
Crop insurance premiums are subsidized as shown in the following table. For example if you select the 75-percent coverage level, the premium subsidy is 55 percent, and your premium share is 45 percent of the base premium.

<table>
<thead>
<tr>
<th>Coverage Level (percent)</th>
<th>50</th>
<th>55</th>
<th>60</th>
<th>65</th>
<th>70</th>
<th>75</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidy Factor</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic Unit</td>
<td>67</td>
<td>64</td>
<td>64</td>
<td>59</td>
<td>59</td>
<td>55</td>
</tr>
</tbody>
</table>

Price Election
A price election is the price you are paid per pound if you have a loss. This is based on the percentage of the established price you chose.

- Established price ......................... $2.00 per pound
- Organic (Certified) ....................... $3.50 per pound

Unit Division
Basic Unit (BU) - A basic unit includes all of your insurable tobacco acreage in the county by share arrangement.

Insurance Plans
Actual Production History (APH) - Your production guarantee is based on your yield history. You have a loss when your production falls below your production guarantee.
Catastrophic Coverage (CAT) - Covers 50 percent of your APH yield and 55 percent of the projected price.

This fact sheet gives only a general overview of the crop insurance program and is not a complete policy. For further information and an evaluation of your risk management needs, contact a crop insurance agent.
Endorsements and Options

Yield Cup Option - Prevents your approved APH yield from decreasing by more than 10 percent from the prior year’s approved APH yield. A cup will apply to an APH database when your approved APH yield, calculated using other yield measures, is less than 90 percent of the prior year’s approved APH yield. It only applies to APH databases with at least one actual or assigned yield and is only available for carryover policies. Beginning with the 2018 crop year, this option is available for an additional premium and will automatically apply to your policy for the 2018 crop year, unless you cancel the option by the crop’s cancellation date. This option is continuous and remains in effect unless cancelled. Not available with CAT policies.

Late and Prevented Planting

Late Planting Period - Begins the day after the final planting date and ends 15 days after the final planting date. Your insurance guarantee will be reduced by one percent per day for each day planted after the final planting date. After 15 days, your prevented planting coverage will be 35 percent of your insurance guarantee for timely planted acreage.

Prevented Planting - You may receive a prevented planting payment if you are unable to plant on or before the final planting date or within any applicable late planting period because of an insurable cause. Additional prevented planting coverage is not available for tobacco.

Loss Example

This example assumes a 2,200 pounds per acre APH yield, 65-percent coverage level, 100 percent of the established price, and basic unit coverage.

\[
\begin{align*}
2,200 & \text{ Pounds per acre APH yield} \\
\times 0.65 & \text{ Coverage level} \\
1,430 & \text{ Pounds guarantee} \\
- 1,200 & \text{ Actual pounds per acre produced} \\
\times 230 & \text{ Pounds per acre loss} \\
\times 2.00 & \text{ Price election} \\
$460.00 & \text{ Indemnity}
\end{align*}
\]

Figures shown on a per acre basis. Guarantees and losses paid are on a unit basis. Your premium will be deducted from any indemnity payment. See policy provisions.

Where to Buy Crop Insurance

All multi-peril crop insurance, including CAT policies, are available from private insurance agents. A list of crop insurance agents is available at all USDA service centers and on the RMA website at www.rma.usda.gov/tools/agent.html.

Contact Us

USDA/RMA
St. Paul Regional Office
30 7th Street East, Suite 1890
St. Paul, MN 55101
Phone: (651) 290-3304
Fax: (651) 290-4139
Email: rsomn@rma.usda.gov

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (toll-free customer service), (800) 877-8339 (local or federal relay), (866) 377-8642 (relay voice users).