

Jackson Regional Office — Jackson, MS

Revised April 2014

Tobacco (Burley, Fire Cured and Dark Air) Kentucky and Tennessee

Crop Insured

Tobacco is insurable in the county if:

- Type 31 burley;
- Types 22 and 23 fire cured; and
- Types 35 and 36 dark air.

Counties Available

Burley, fire cured, and dark air tobacco are insurable in most counties in Kentucky and Tennessee. For a list of available counties, see actuarial documents at: www.rma.usda.gov/about/rma/fields/ms_rso/. 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 including natural perils such as hail frost, freeze, wind, drought, and excess moisture;
- Earthquake;
- Failure of the irrigation water supply, if applicable, due to an unavoidable cause of loss occurring within the insurance period;
- Fire, if caused by an insured peril during the insurance period;
- Insects, but not damage due to insufficient or improper application of control measures;
- Plant disease, but not damage due to insufficient or improper application of control measures;
- Volcanic Eruption; or
- Wildlife.

Insurance Period

Coverage begins at transplanting and ends at the earliest occurrence of one of the following:

- Total destruction of the tobacco on the unit;
- Removal of the tobacco from the unit where grown, except for curing, grading and packing;
- Abandonment of the crop on the unit;

- Final adjustment of the loss on the unit; or
- The calendar date for the end of the insurance period for burley - February 28, 2015; dark air - March 15, 2015; and Fire cured - April 15, 2015.

Important Dates

Sales ClosingMarch 15, 2014
Cancellation DateMarch 15, 2014
Final Planting Date.....June 20, 2014
Acreage Report DateJuly 15, 2014

Reporting Requirements

You must report to your agent all acres of the crop in the county in which you have a share.

Definitions

Cancellation Date - The calendar date specified in the Crop Provisions on which coverage for the crop will automatically renew unless canceled in writing by either you or us or terminated in accordance with the policy terms.

Production Guarantee -The number of pounds guaranteed per acre. Multiply your APRI per acre, by the coverage level percentage you select based on your production records.

Price Election - The amounts contained in the Special Provisions, or in an addendum thereto, that is the value per pound for the purposes of determining premium and indemnity.

Coverage Levels and Premium Subsidies

Catastrophic Risk Protection (CAT) coverage is available at 50 percent of your average yield and 55 percent of the established price. Additional coverage is available at 50, 55, 60, 65, 70, 75, 80 or 85 percent of your average yield and up to 100 percent of the price election. Premium subsidies are available and vary based on coverage level.

Quality Adjustment for Burley Tobacco

In lieu of section 12(f) of the Tobacco Crop Provision, to qualify for a quality deficiency, the tobacco must be graded by a tobacco grader who is employed by the Agricultural Marketing Service who assigns a grade in accordance with USDA Official Standard Grades.

Late and Prevented Planting Provisions

These provisions provide coverage on acreage that is planted late or that cannot be planted by the final planting date or within the late planting period. Please consult a crop insurance agent for details.

Loss Example

Assume a 100-percent share, 1,660 production guarantee (APH yield of 2,213 pounds/acre x the 75 percent coverage level), you plant 1 acre, price election of \$1.60/pounds, and production to count is 500 pounds.

2,213	Approved yield/acre - pounds
<u>x0.75</u>	Coverage level
1,660	Per acre guarantee - pounds
1,660	Per acre guarantee - pounds
<u>- 500</u>	Production to count - pounds
1,160	Loss per acre - pounds
1,160	Loss per acre - pounds
<u>x\$1.60</u>	Price Election
\$1,856	Indemnity Payment

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: www3.rma.usda.gov/apps/agents/.

Contact Us

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Download Copies from the Web

Visit our online publications/fact sheets page at: www.rma.usda.gov/aboutrma/fields/ms_rso/

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