

## Jackson Regional Office — Jackson, MS

Revised August 2018

# Tobacco (Fire Cured and Dark Air) Kentucky and Tennessee

### Crop Insured

Tobacco is insurable in the county if:

- You have a share;
- Premium rate is provided by the actuarial documents;
- They are types 22 and 23 fire cured; and
- They are types 35 and 36 dark air.

### Counties Available

Fire cured and/or dark air tobacco are insurable in 22 counties in Kentucky and nine counties in Tennessee. For a list of available counties, see actuarial documents at [webapp.rma.usda.gov/apps/actuarialinformationbrowser](http://webapp.rma.usda.gov/apps/actuarialinformationbrowser). 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 for dark air - March 15, 2019; and Fire cured - April 15, 2019.

### Important Dates

Sales Closing .....	March 15, 2018
Cancellation Date .....	March 15, 2018
Final Planting Date.....	June 20, 2018
Acreage Report Date .....	July 15, 2018

### Reporting Requirements

You must timely report to your agent, all acres of the crop, in the county in which you have a share, by the acreage reporting date.

### 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 or 75 percent of your average yield and up to 100 percent of the price election. Premium subsidies are available and vary based on coverage level.

## Late and Prevented Planting Provisions

These provisions provide coverage on acreage that is planted after the final planting date. The production guarantee (per acre) for acreage planted during the late planting period will be reduced by one percent per day for the first through the tenth day and two percent per day for the eleventh through the fifteenth day. Prevented planting coverage will be 35 percent of your production guarantee for timely planted acreage. Additional prevented planting coverage levels are not available for tobacco.

## 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 one acre, price election of \$1.60/pound, 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
<b>\$1,856</b>	<b>Indemnity Payment</b>

## 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](http://www.rma.usda.gov/tools/agent.html).

## Contact Us

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