



United States  
Department of  
Agriculture



Federal Crop  
Insurance  
Corporation

FCIC-25025 (02-2021)  
FCIC-25025-1 (12-2021)

# **TOBACCO LOSS ADJUSTMENT STANDARDS HANDBOOK**

## **2022 and Succeeding Crop Years**



**RISK MANAGEMENT AGENCY  
KANSAS CITY, MO 64133**

<b>TITLE: TOBACCO LOSS ADJUSTMENT STANDARDS HANDBOOK</b>	<b>NUMBER: FCIC-25025</b>
<b>EFFECTIVE DATE: 2022 and Succeeding Crop Years</b>	<b>ISSUE DATE: December 17, 2021</b>
<b>SUBJECT:</b>  <b>Provides the procedures and instructions for administering the Tobacco crop insurance program</b>	<b>OPI: Product Administration and Standards Division</b>
	<b>APPROVED:</b>  <i>/s/ John W. Underwood for</i>  <b>Deputy Administrator for Product Management</b>

**REASON FOR ISSUANCE**

Major changes: See changes or additions in text which have been highlighted. Three stars (\*\*\*) identify information that has been removed.

1. **Paragraph 11 (11)(a):** Revised in accordance with the SP to show the maximum pounds eligible to be insured at the contracted tobacco price election will be 110 percent of the total number of pounds of tobacco on all applicable production agreements; and the “maximum over established price” is used when determining the calculated discount factor for QA.
2. **Paragraph 11(11)(b):** Clarified how the weighted average price for contracted and non-contracted tobacco will be determined.
3. **Paragraph 11(11)(c):** Clarified determining the weighted average price election, the approved yield is used to determine the ratio of contracted vs. non-contracted pounds of tobacco. The insured must provide a copy of all production agreements to the AIP on or before the acreage reporting date.
4. **Paragraph 11(11)(d):** Added instruction for prorating contracted pounds of tobacco over multiple counties or units.
5. **Paragraph 16 (2):** Added examples for determining QA on tobacco involving a single contract covering multiple units, differing grades, and excess pounds over the contracted amount.
6. **Exhibit 2 - Definitions:** Updated the definition of “Processor Agreement.”
7. **Exhibit 3:** Corrected numbering.

## TOBACCO LOSS ADJUSTMENT STANDARDS HANDBOOK

### CONTROL CHART

<b>Tobacco Loss Adjustment Standards Handbook</b>							
	TP Page(s)	TC Page(s)	Text Page(s)	Exhibit Number	Exhibit Page(s)	Date	Directive Number
Remove	1-2		9-14	2	39	02-2021	FCIC-25025
				3	40-42	02-2021	FCIC-25025
						02-2021	FCIC-25025
Insert	1-2		9-14.4	2	39	12-2021	FCIC-25025-1
				3	40-42	12-2021	FCIC-25025-1
						12-2021	FCIC-25025-1
Current Index	1-2	1-2	1-8 9-14.4 15-36	1	37	12-2021	FCIC-25025-1
				2	38	02-2021	FCIC-25025
				2	39	12-2021	FCIC-25025-1
				3	40-42	02-2021	FCIC-25025
				3	43	02-2021	FCIC-25025
				3	40-42	12-2021	FCIC-25025-1
				3	43	02-2021	FCIC-25025
				4-9	44-69	02-2021	FCIC-25025

### FILING INSTRUCTIONS

This handbook replaces the 2021 Tobacco Loss Adjustment Standards Handbook, FCIC-25025 (02-2021). This handbook is effective for the 2022 and succeeding crop years, upon issuance, and is not retroactive to any 2021 or prior crop year determinations.

## 11 Insurability (Continued)

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(11) For Flue Cured tobacco only:

- (a) Contracted tobacco is eligible to be insured at the contracted tobacco price election (shown as the “Maximum Over Established Price” in the actuarial documents). The maximum pounds eligible to be insured at the contracted tobacco price election will be 110 percent of the total number of pounds of tobacco on all applicable production agreements. Non-contracted tobacco will be insured at the “Established Price” shown in the actuarial documents. The “maximum over established price” is used when determining the calculated discount factor for QA.
- (b) If the insured produces both contracted tobacco and non-contracted tobacco, the price election will be the weighted average of the contracted tobacco price election for the maximum pounds eligible to be insured at the contracted tobacco price election and the price election for non-contracted tobacco for all for all remaining pounds of the insured’s approved yield (based on intended planted acres and the insured’s approved yield). The contracted tobacco price election will not be used for any tobacco excluded from the production agreement at any time during the crop year for this calculation. If tobacco is excluded from the production agreement during the crop year, the weighted average price election must be recalculated. Certified organic and transitional to organic tobacco grown under contract is also eligible for contract pricing under the Contract Price Addendum up to the maximum contract price if the buyer meets the definition of a processor in the SP.
- (c) When determining a weighted average price election, 110 percent of the approved yield is used to determine the ratio of contracted vs. non-contracted pounds of tobacco. The insured must provide a copy of all production agreements to the AIP on or before the acreage reporting date.
- (d) If the insured farms in multiple counties and has only one production agreement that covers all counties, the total contracted production would be prorated over each county in the same manner as required for proration of the contracted production over multiple counties for the CPA in the CIH Para. 915. This same procedure will apply if the insured farms in multiple BUs and has only one production agreement that covers all units or sections.

The contracted pounds must be prorated to the appropriate BUs when the contract(s) specifies total pounds from acreage planted in more than one BU. The following table provides instructions for prorating the contracted pounds to multiple BUs. Refer to paragraph 16 (2), Example 3.

## 11 Insurability (Continued)

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Step	Action
1	For each BU, multiply the acres planted to flue cured tobacco times the approved APH yield. For multiple APH databases, multiply acres planted in each APH database by the applicable approved APH yield.
2	Sum the result of step 1 for each BU.
3	Sum the guarantee in pounds for each applicable BU to determine the total guarantee in pounds.
4	Divide the result of step 2 for each applicable BU by the result of step 3 to determine the proration factor for that BU. Round the result to three decimals.
5	Prorate the contracted pounds to each applicable BU by multiplying the total contracted pounds times the result of step 4 for each applicable BU.

- (e) Certified organic and transitional to organic tobacco grown under contract is also eligible for contract pricing under the CPA up to the maximum contract price if the buyer meets the definition of a processor in the SP. Refer to the CPA.

## 12 Unit Division

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In lieu of the definition in the BP, a basic unit is all insurable acreage of an insurable type of tobacco in the county in which the insured has a share on the date of planting for the crop year and that is identified by a single FSA FN at the time insurance first attaches under the Tobacco CP for the crop year.

For flue cured tobacco, in accordance with section 2 of the Tobacco CP, contracted tobacco and non-contracted tobacco will be one type for the purpose of establishing basic units.

For information on Enterprise, Multi-County Enterprise, and Whole-Farm units, refer to the LAM.

### 13-15 (Reserved)

## PART 3 - QUALITY ADJUSTMENT

### 16 Tobacco Quality Adjustment for Only Burley and Flue Cured Types

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- (1) Burley tobacco must be harvested and hung in a curing facility no later than the date specified in the SP. The insured must notify the AIP in writing no later than the date specified in the SP if there is any of the insured tobacco acreage he/she does not intend to harvest. Any tobacco acreage that is not harvested and hung in a curing facility by the date specified in the SP will not be eligible for QA.
- (2) For flue cured tobacco only:

The maximum number of pounds eligible for QA will be equal to 100 percent of pounds of contracted tobacco on all valid production agreements. If more than the maximum number of pounds eligible for QA are submitted for QA, the tobacco with the lowest DF will be adjusted first (using the lower of the grade DF or the calculated DF as indicated in 16(3)(e)). Tobacco with the next higher DF will be adjusted next. Continue in this manner up to the total eligible pounds of tobacco. Any excess pounds of tobacco will not be eligible for QA.

Production which has been determined to have ZMV is included when determining the total number of pounds submitted for QA. Production for which AMS has assigned a grade shown on the DF Chart in the SP with a corresponding DF of “\*\*” that is in excess of the contracted amount is not eligible for QA and will be included in production to count, even if it is destroyed.

Which pounds of tobacco will be eligible for QA is determined at the later of the date all production has been sold or 60 days after the end of the insurance period.

**Example 1:** The insured has 1 unit and a single production agreement for 10,000 pounds of tobacco. They harvest 12,000 pounds from the unit. All 12,000 pounds are damaged due to an insured cause of loss and are submitted to AMS for grading. **Only 10,000 are eligible for QA.**

5,000 pounds with AMS grade of B4KV sold for \$1.00 per pound.

Chart DF = .400

Calculated DF =  $1.000 - (\$1.00 \div \$1.80 \text{ maximum over established price}) = .444$  DF

The lesser of .400 (chart DF) or .444 (calculated DF) is .400

The QAF will be  $1.000 - .400 = .600$

4,000 pounds with AMS grade of B5KV sold for \$.80 per pound.

Chart DF = .600

Calculated DF =  $1.000 - (\$.80 \div \$1.80 \text{ maximum over established price}) = .556$

The lesser of .600 (chart DF) or .556 (calculated DF) is .556

The QAF for this tobacco will be  $1.000 - .556 = .444$

3,000 pounds with AMS grade of N2 were not sold and were destroyed in the presence of the adjuster.

- Chart DF = \*\* (A grade on the chart with a corresponding DF of “\*\*” will equal a DF of 1.000 because of ZMV)

- Calculated DF = 1.000 (ZMV)

The QAF for this tobacco will be  $1.000 - 1.000 = 0.000$ .

**16 Tobacco Quality Adjustment for Only Burley and Flue Cured Types (Continued)**

The tobacco with the lowest DF will be adjusted first:

5,000 pounds with a DF of .400.

- 5,000 lbs. x .600 (QAF) = 3,000 lbs. PTC

Then: 4,000 pounds with a DF of .556

- 4,000 lbs. x .444 (QAF) = 1,776 lbs. PTC

Then: 1,000 pounds with a DF of 1.000

- 1,000 lbs. x .000 (QAF) = 0 lbs. PTC (if adjuster visually witnesses destruction)

2,000 pounds (excess over contracted amount) are not eligible for QA.

PTC for the unit:

- 3,000 lbs. + 1,776 lbs. + 0 lbs. + 2,000 lbs. = 6,776 lbs.

Production that is sold without being graded by AMS will not be counted against the amount of production eligible for QA.

**Example 2:** The insured has a production agreement for 10,000 pounds for the unit. 10,000 pounds are eligible for QA. They harvested/sold 3,000 pounds that were not graded by AMS. They also harvested/sold 4,000 pounds that were graded by AMS at a B4KV (potential 0.400 DF depending on calculated DF). There are still acres that have yet to be harvested. 6,000 pounds are still eligible for QA (10,000 pounds eligible for QA - 4,000 pounds graded and sold) for the unharvested acres if the production from these acres is damaged when harvested/sold.

**Example 3:** Insured produces flue cured tobacco on 3 basic units. (See table in paragraph 11 (11)(d) for instructions for prorating the contracted pounds.) The approved yields for the planted acres are as follows:

Unit 0001-0001

- 10 planted acres x 2,000 lbs. approved APH yield = 20,000 lbs.

Unit 0002-0001

- 5 planted acres x 1,200 lbs. approved APH yield = 6,000 lbs.

Unit 0003-0001

- 15 planted acres x 1,500 lbs. approved APH yield = 22,500 lbs.  
48,500 lbs. total

**Insured has 1 production agreement for 40,000 lbs. that covers all 3 units.**

**Proration of pounds eligible for QA by unit**

Unit	Unit Approved Yield (lbs.)	÷	Total Approved Yield (lbs.)	=	Proration factor	X	Contracted lbs.	=	Prorated contracted lbs. eligible for QA
0001-0001	20,000	÷	48,500	=	.412	X	40,000	=	16,480
0002-0001	6,000	÷	48,500	=	.124	X	40,000	=	4,960
0003-0001	22,500	÷	48,500	=	.464	X	40,000	=	18,560
Totals	48,500				1.0000				40,000



**16 Tobacco Quality Adjustment for Only Burley and Flue Cured Types (Continued)**

Insured harvests a total of 84 bales at 600 lbs./bale (50,400 lbs.) of tobacco from all 3 units. All of the production has some damage due to insured causes. The insured elects to have all of it taken to the grading station to be graded by AMS. **Only 40,000 lbs. are eligible for QA.**

AMS graded the 84 bales as follows:

42 bales graded B4KV - .400 DF (QAF = .600)  
 25 bales graded C4G - .600 DF (QAF = .400)  
 17 bales graded NO-G - “\*\*” 1.000 DF (QAF = .000)  
 84 total bales graded

**Production By Unit and Grade Assigned:**

Unit	Grade - B4KV	Grade - C4G	Grade - NO-G
0001-0001 - 28 bales	15 bales - 9,000 lbs.	7 bales - 4,200 lbs.	6 bales - 3,600 lbs.
0002-0001 - 13 bales	8 bales - 4,800 lbs.	2 bales - 1,200 lbs.	3 bales - 1,800 lbs.
0003-0001 - 43 bales	19 bales - 11,400 lbs.	16 bales - 9,600 lbs.	8 bales - 4,800 lbs.
<b>TOTAL</b>	<b>42 bales - 25,200 lbs.</b>	<b>25 bales - 15,000 lbs.</b>	<b>17 bales - 10,200 lbs.</b>

**Unit 0001-0001 - 16,800 lbs. produced - 16,480 lbs. eligible for QA**

Unit	Grade	1.000	-	DF	=	QAF	X	Pounds	=	Production To Count		
0001-0001	B4KV	1.000	-	.400	=	.600	X	9,000	=	5,400 lbs.		
0001-0001	C4G	1.000	-	.600	=	.400	X	4,200	=	1,680 lbs.		
0001-0001	NO-G	1.000	-	1.000	=	.000	X	3,280	=	0 lbs.		
0001-0001	NO-G	NA	-	NA	=	NA	X	320*	=	320 lbs.		
								<b>Total</b>		<b>16,800</b>		<b>7,400 lbs.</b>

\* Pounds in excess of amount eligible for QA - No QA.

**Unit 0002-0001 - 7,800 lbs. produced - 4,960 lbs. eligible for QA**

Unit	Grade	1.000	-	DF	=	QAF	X	Pounds	=	Production To Count		
0002-0001	B4KV	1.000	-	.400	=	.600	X	4,800	=	2,880 lbs.		
0002-0001	C4G	1.000	-	.600	=	.400	X	160	=	64 lbs.		
0002-0001	C4G	NA	-	NA	=	NA	X	1,040*	=	1,040 lbs.		
0002-0001	NO-G	NA	-	NA	=	NA	X	1,800*	=	1,800 lbs.		
								<b>Total</b>		<b>7,800</b>		<b>5,784 lbs.</b>

\* Pounds in excess of amount eligible for QA - No QA.

**Unit 0003-0001 - 25,800 lbs. produced - 18,560 lbs. eligible for QA**

Unit	Grade	1.000	-	DF	=	QAF	X	Pounds	=	Production To Count		
0003-0001	B4KV	1.000	-	.400	=	.600	X	11,400	=	6,840 lbs.		
0003-0001	C4G	1.000	-	.600	=	.400	X	7,160	=	2,864 lbs.		
0003-0001	C4G	NA	-	NA	=	NA	X	2,440*	=	2,440 lbs.		
0003-0001	NO-G	NA	-	NA	=	NA	X	4,800*	=	4,800 lbs.		
								<b>Total</b>		<b>25,800</b>		<b>16,944 lbs.</b>

\* Pounds in excess of amount eligible for QA - No QA.

## **16 Tobacco Quality Adjustment for Only Burley and Flue Cured Types (Continued)**

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- (3) In lieu of section 12(f) of the Tobacco CP, tobacco production may be adjusted for quality deficiencies as follows:
- (a) The insured must contact the AIP before any damaged tobacco is disposed of, so the tobacco can be inspected and graded by an AMS grader to determine the amount of tobacco that may be eligible for QA. The AMS grader will place a grading stamp on each bale graded. The purpose of the AMS stamp is to alert graders that a bale has previously been graded.
  - (b) If the insured sells or otherwise disposes of any damaged tobacco, reworks the bale(s), or removes the AMS stamp without giving the AIP the opportunity to inspect it, such tobacco will not be eligible for QA.
  - (c) Tobacco production will be adjusted for quality only if the deficiencies resulted from a COL insured under section 10 of the CP.
  - (d) For quality to be a factor in determining tobacco PTC, the insured must obtain an assigned grade from a tobacco grader who is employed by the AMS or successor agency for all tobacco that is eligible for QA, no later than 60 days after the calendar date for the end of the insurance period.
    - (i) The tobacco must be assigned a grade in accordance with USDA Official Standard Grades published at 7 CFR part 29. On the date of final inspection for the unit, the grade discount factors are determined using the DF chart in the SP. No QA will be made on any production which has been assigned a grade that does not appear on the DF Chart.
    - (ii) The assigned grade must have been valid at the time the tobacco was sold or must remain valid at the time the claim is adjusted for quality for tobacco that remains unsold.

An assigned grade will not be valid if the AMS stamp has been removed or the tobacco is not offered for sale and sold in the same packaging, form, and condition as presented to the AMS grader for evaluation; and
    - (iii) Unless the tobacco remains unsold 60 days after the calendar date for the end of the insurance period, the insured must also deliver and sell all tobacco to an industry recognized receiving station or through a tobacco warehouse that holds auctions where multiple entities are able to bid on tobacco. The sales receipt must identify the bale and price for the bale.
  - (e) Any adjustment in PTC will be determined as follows:
    - (i) For production sold prior to 60 days after the calendar date for the end of insurance period:

**16 Tobacco Quality Adjustment for Only Burley and Flue Cured Types (Continued)**

- (A) Determining the grade DF for the corresponding grade as specified in the DF chart in the SP;
- (B) Determining the calculated DF by dividing the price received for the tobacco at sale by the non-organic established price (No Practice Specified – 997) and subtracting the result from 1.000;
- (C) Subtracting from 1.000 the lesser of the grade DF (result of (A) above) or calculated DF (result of (B) above) to determine the QAF; and
- (D) Multiplying the pounds of damaged tobacco production by the QAF to determine the net PTC.

**Example:**

Lbs	AMS Grade	Chart DF	Price Rec'd	Est. Price	Calc. DF	Lesser of chart DF or Calc. DF	QAF (1.000 - DF)	PTC
500	C4G	.600	\$1.15	\$1.80	.361	.361	.639	320

**Note:** A claim will not be finalized prior to 60 days after the calendar date for the end of the insurance period unless the tobacco has been sold or destroyed if deemed to have ZMV.

- (ii) For production that has been graded but remains unsold 60 days after the calendar date for the end of insurance period:
  - (A) Determining the grade DF for the corresponding grade as specified in the DF chart in the SP;
  - (B) Subtracting from 1.000 the lesser of the grade DF or 0.500 to determine the QAF; and
  - (C) Multiplying the pounds of damaged tobacco production by the QAF to determine the net PTC.

**Example:**

Lbs.	AMS Grade	Chart DF	Price Rec'd	Est. Price	Calc. DF	Lesser of chart DF or Calc. DF	QAF (1.000 - DF)	PTC
500	C4G	.600	NA	NA	.500	.500	.500	250

## 16 Tobacco Quality Adjustment for Only Burley and Flue Cured Types (Continued)

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- (f) Any production **eligible for QA** which due to an insured cause, AMS has assigned a grade shown on the DF Chart in the SP with a corresponding DF of “\*\*\*” will be considered to have ZMV. Such production will not be considered PTC if the production is destroyed in a manner acceptable to the AIP. The destruction must result in the production having no possibility of being marketed and has no possibility of any salvage use that could result in any type of compensation to the insured. If the insured chooses not to destroy such production, no adjustment will be made to PTC for quality.
- (i) For a ZMV determination, the adjuster must, in all cases, physically witness the destruction of any tobacco with an assigned grade shown on the DF Chart in the SP with a corresponding DF of “\*\*\*” and document in the claim file:
  - (A) Date of destruction;
  - (B) Method in which the tobacco was destroyed;
  - (C) Location where destruction occurred;
  - (D) Photos;
  - (E) Amount of tobacco destroyed;
  - (F) That the AMS stamp has not been removed; and
  - (G) Bale tags from each of the bales being destroyed. The adjuster must verify with the Tobacco Administration Grading Service (TAGS) information from RMA that the number of bales assigned a grade shown on the DF Chart in the SP with a corresponding DF of “\*\*\*” are destroyed during the on-farm inspection. If fewer bales are actually destroyed than indicated on the TAGS information, the adjuster must determine the disposition of the other bales. Refer to (iii)(A) below.
- (ii) The procedures for producer self-certification of destroyed production in the LAM are not applicable, and the Certification Form will not be an acceptable form of documentation of destruction.
- (iii) The following scenarios will apply to the tobacco PTC:
  - (A) If the tobacco is assigned an “N” grade by AMS, it must not be tampered with, broken down (if baled), resorted or reconstituted in any way (up to the point of destruction). If evidence suggests this is taking place, no QA will be allowed, and the full unit guarantee may be included as PTC for each unit involved.
  - (B) If the tobacco is destroyed, but not in the presence of the loss adjuster, no QA will be allowed for the tobacco and the full production amount will be included as PTC.

## **16 Tobacco Quality Adjustment for Only Burley and Flue Cured Types (Continued)**

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- (C) If the tobacco is not destroyed, no QA will be allowed for the tobacco and the full production amount will be included as PTC.
  - (D) Once the tobacco is destroyed in the presence of the loss adjuster, none of the destroyed tobacco will be included as PTC.
  - (g) There is no QA on appraised unharvested production. It is counted pound for pound.
- (3) Tobacco Graded by AMS' TAGS

If any of the insured's tobacco has been graded at a TAGS location, AMS electronically transmits the graded tobacco information to RMA. RMA then transmits this information to the insured's AIP for the purpose of determining the QAF(s) of any of the insured's graded tobacco that qualifies for QA. The information provides the AIP with at least the following:

- (a) Insured's policy state code, policy county code, and policy number;
- (b) Tax ID of the insured;
- (c) Crop Year;
- (d) Crop Code;
- (e) Grading Confirmation Number (GCN) that is assigned by TAGS;
- (f) FN;
- (g) Bale Number, weight, and grade of each bale graded. If the tobacco receives an "N" grade, the reason for such a grade;
- (h) Location where the tobacco was graded;
- (i) Date Tobacco was graded;
- (j) Tobacco type identified as burley (B) or flue cured (F);
- (k) Leaf form – Leaf (L) or Strip (S); and
- (l) Reloaded – Identified by Y or N as whether or not the Tobacco was reloaded on the truck for sale.

**(RESERVED)**

**Definitions (Continued)**

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Production agreement means a written agreement between the insured and a processor, containing at a minimum:

- (1) The insured's commitment to produce tobacco on the insured's farm operation during the insurance period and deliver the production to the processor;
- (2) The processor's commitment to purchase the tobacco stated in the contract; and
- (3) The total number of pounds of tobacco to be delivered.

The insured must provide a copy of all production agreements to the AIP on or before the acreage reporting date.

A production agreement issued in either spouse's name will be considered sufficient for "Individual-Married" person's policy. The definition of "Individual-Married" is contained in the GSH. For any policy that does not meet the definition of "Individual-Married," the person on the policy must match the name on the production agreement.

Stick means a piece of wood that is approximately 1-inch square and 42 inches long used for the purpose of hanging stalks of tobacco in the tobacco barn. One stick will accommodate about 6 stalks of average size tobacco.

Tobacco bed means an area protected from adverse weather in which tobacco seeds are sown and seedlings are grown until transplanted in the tobacco field by hand or machine.

Tobacco types means insurable tobacco as shown on the SP.

## Form Standards – Appraisal Worksheet for Stand Reduction

Item Number/Element	Description
1. Company	Name of the AIP, if not preprinted on the worksheet (Company Name).
2. Claim Number	Claim number as assigned by the AIP.
3. Insured's Name	Name of insured that identifies exactly the person (legal entity) to whom the policy is issued.
4. Policy Number	Insured's assigned policy number.
5. FSA Farm Number	FSA Farm Number.
6. Crop Year	Four-digit crop year, as defined in the policy, for which the claim has been filed.
7. Type	Three-digit code, entered exactly as specified on the actuarial documents for the type grown by the insured; e.g., 011, 014, 023, 035, etc.
8. Total No. Plants Per Acre	The number of plants per acre in the original stand. Complete items 13 (Row Width) and 14 (Spacing). Apply those values to exhibit 6 to determine the number of plants per acre in the original stand and enter in this item.
9. Unit No.	Unit number from the Summary of Coverage after it is verified to be correct.
10. Field No.	Field or subfield identification symbol.
11. No. of Acres	Number of determined acres to hundredths in the field or subfield being appraised.
12. Leaf Stage	Estimate of the number of leaves present per plant at the date of damage.
13. Row Width	Distance between rows (in whole inches) in the original planting pattern. Refer to paragraph 33 for row-width determination information.
14. Spacing	Spacing between plants within each row (in whole inches) in the original planting pattern. Refer to exhibit 6 for instructions.
<b>Part I - Sample Determinations</b>	
15. Percent Plant Loss	Result of subtracting the number of live plants that will produce marketable leaves from 100. When all samples are completed, enter the total for all samples in item 21. Refer to subparagraph 35B(2).
16. Number Leaves on Ten Stalks	Total number of marketable leaves on 10 consecutive live plants (that will produce marketable leaves) for each sample. Refer to Stand Reduction Method in subparagraph 35B(2) for information on determination of "marketable leaves."
17. Leaf Factor:	Factor, to tenths. For all types, use the Mature Tobacco Leaf Computation instructions found in subparagraph 35B(5) to determine the appropriate leaf factor.  Refer to the Remarks section for documentation requirements.



**Form Standards – Appraisal Worksheet for Stand Reduction (Continued)**

Item Number/Element	Description										
18. Number Normal Leaves	Multiply the number of leaves on ten stalks (item 16) times the leaf factor (item 17) and round to the nearest tenth.										
19. Leaves to Emerge	Total number of leaves which normally would be expected to emerge for harvesting from the same 10 plants.										
20. No. of Normal Leaves on Ten Stalks	Sum of number of normal leaves (item 18) and leaves to emerge (item 19).										
21. Total of Column 15	The sum of all entries in column 15.										
22. Samples	Number of samples taken in field or subfield.										
23. Avg. % Plant Loss	Divide the total of percent plant loss (item 15) by the number of samples (item 22) and round to the nearest tenth.										
24. Total of column 20	Enter the sum of all entries in column 20.										
25. Total No. of Samples Checked	Transfer entry from item 22.										
26. Avg. Leaves Per Sample	Divide the total number of normal leaves on ten stalks (item 24) by total number of samples checked (item 25) and round to the nearest tenth.										
27. Factor	Enter the constant factor of “10.”										
28. Avg. No. Normal Leaves Per Stalk	Divide average number of leaves per sample (item 26) by the constant factor of “10” (item 27) and round to the nearest tenth.										
<b>Part II - Appraisal Computations</b>											
29. Average No. Normal Leaves Per Stalk	Transfer entry from item 28.										
30. Plants Per Acre	Total number of plants per acre shown in item 8, or for machine harvested appraisals, the plants per acre that can be machine harvested.										
31. % Potential	110.0% (above the heavy line in exhibit 6) or 100.0% (below the heavy line in exhibit 6) minus the average percent plant loss (item 22), divided by 100, and rounded to the nearest tenth. Entry cannot exceed 1.000. Refer to subparagraph 35B(3) for the calculation of percent potential.										
32. Total Number Leaves Per Acre	Multiply the average number of normal leaves per stalk (item 29) times plants per acre (item 30) times percent potential (item 31) and round to the nearest whole number.										
33. Number of Leaves Per Pound	<p>The number of normal leaves per pound for the type listed in item 7.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;"><u>Type</u></th> <th style="text-align: right; border-bottom: 1px solid black;"><u>Leaves Per Pound</u></th> </tr> </thead> <tbody> <tr> <td>032, 041 and all dark types (021, 022, 023, 035, 036, 037) .....</td> <td style="text-align: right; vertical-align: bottom;">35</td> </tr> <tr> <td>051 and 052 .....</td> <td style="text-align: right; vertical-align: bottom;">50</td> </tr> <tr> <td>061 .....</td> <td style="text-align: right; vertical-align: bottom;">135</td> </tr> <tr> <td>031, 054, 055 and flue cured types (11A, 11B, 012, 013, 014).....</td> <td style="text-align: right; vertical-align: bottom;">60</td> </tr> </tbody> </table>	<u>Type</u>	<u>Leaves Per Pound</u>	032, 041 and all dark types (021, 022, 023, 035, 036, 037) .....	35	051 and 052 .....	50	061 .....	135	031, 054, 055 and flue cured types (11A, 11B, 012, 013, 014).....	60
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**Form Standards – Appraisal Worksheet for Stand Reduction (Continued)**

34. Appraisal Per Acre	Divide the total number of leaves per acre (item 32) by number of leaves per pound (item 33) and round to the nearest whole pound.
35. Remarks	<p>a. Any remarks concerning any unusual circumstances or as required by the insurance provider.</p> <p>b. Leaf Factor:</p> <p>(1) If the leaves are smaller than a normal leaf, document whether an insured or uninsured COL caused the leaves to be undersized.</p> <p>(2) For the Mature Tobacco Leaf Computation found in subparagraph 35B(5), show the computation in the Remarks section of the Appraisal Worksheet or on a Special Report. If a Special Report is used, attach it to the Appraisal Worksheet.</p>
<b>The following required entries are not illustrated on the Appraisal Worksheet example below.</b>	
36. Insured's Signature and Date	Insured's (or insured's authorized representative's) signature and date. Before obtaining the signature, review all entries on the Appraisal Worksheet with the insured (or insured's authorized representative), particularly explaining codes, etc., which may not be readily understood.
37. Adjuster's Signature, Code Number, and Date	Signature of adjuster, code number, and date signed after the insured (or insured's authorized representative) has signed. If the appraisal is performed prior to signature date, document the date of the appraisal in the Remarks/Narrative section of the Appraisal Worksheet (if available); otherwise, document the appraisal date in the Narrative of the PW.
38. Page Numbers	Page Numbers - (Example: Page 1 of 1, Page 1 of 2, Page 2 of 2, etc.).