



United States  
Department of  
Agriculture



Federal Crop  
Insurance  
Corporation

FCIC-25025-1 (04-2023)

# **TOBACCO LOSS ADJUSTMENT STANDARDS HANDBOOK**

## **2023 and Succeeding Crop Years**

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**UNITED STATES DEPARTMENT OF AGRICULTURE  
FARM PRODUCTION AND CONSERVATION  
RISK MANAGEMENT AGENCY  
KANSAS CITY, MO 64133**

<b>TITLE: TOBACCO LOSS ADJUSTMENT STANDARDS HANDBOOK</b>	<b>NUMBER: FCIC-25025-1</b>  <b>OPI: Product Administration and Standards Division</b>
<b>EFFECTIVE DATE: 2023 and Succeeding Crop Years</b>	<b>ISSUE DATE: April 3, 2023</b>
<b>SUBJECT:</b>  Provides the procedures and instructions for administering the Tobacco crop insurance program.	<b>APPROVED:</b>  <i>/s/ John Underwood for</i>  <b>Deputy Administrator for Product Management</b>

**REASON FOR ISSUANCE**

FCIC-25025-1, Tobacco Loss Adjustment Standards Handbook is being issued to make needed corrections.

**SUMMARY OF CHANGES**

Listed below are the significant content changes to the FCIC-25025, Tobacco Loss Adjustment Standards Handbook. All changes, and additions are **highlighted**. Minor changes and corrections are not included in this listing. **\*\*\*** is used throughout the handbook indicate where major deletions occurred.

<b>Reference</b>	<b>Description of Change</b>	<b>Directive Number</b>
Throughout	Changes were made to correct spelling, punctuation, formatting and to correct subparagraph and section numbering.	25025
<a href="#">Para. 11 (11)</a>	Clarified procedure applies to Burley, Flue Cured, Dark Air, Fire Cured, and Maryland tobacco only.	25025
<a href="#">Para. 11(11)(c)</a>	Clarified determining the weighted average price election, 110 percent of the <b>total contracted pounds</b> 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.	25025
<a href="#">Para. 11(11)(d)</a>	Changed "county" to "BU." Clarified the instruction for prorating contracted pounds to multiple basic units.	25025-1
<a href="#">Para. 12</a>	Revised to include burley, dark air, fire cured, and Maryland tobacco where contracted tobacco and non-contracted tobacco will be one type for the purpose of establishing BUs.	25025-1
<a href="#">Para. 16(1)</a>	Added instruction for cases when there is a single production agreement that covers multiple units and the prorated pounds eligible for QA in a unit are not exhausted, the carry over pounds may be used for other units.	25025

**TOBACCO LOSS ADJUSTMENT STANDARDS HANDBOOK**

**SUMMARY OF CHANGES**

Reference	Description of Change	Directive Number
<a href="#">Para. 16(1)Ex.3</a>	Example 3: Clarified in the example that acres × approved APH yield = <b>unit approved yield</b> . Corrected “pounds” calculation in Unit 0003-0001 example.	25025-1
<a href="#">Para. 16 (3)(e)(i)(B)</a>	Clarified the calculated DF is determined by dividing the price received for the tobacco at sale by the non-organic maximum over established price rounded to 3 decimal places and subtracting the result from 1.000.	25025
<a href="#">Para. 17</a>	Added quality adjustment procedure for Dark Air, Fire Cured, and Maryland Tobacco.	25025
<a href="#">Para. 17 (2)(a)</a>	Added a clarification that if the insured produces both contracted tobacco and non-contracted tobacco, the price election will be the weighted average price.	25025-1
<a href="#">Para. 17(2)(c), Example 1</a>	Corrected the QA example to show the price election to be the weighted average price of the contracted and non-contracted tobacco.	25025-1
<a href="#">Para. 17(2)(c), Example 2</a>	Added an example for multiple units covered by a single production agreement.	25025-1
<a href="#">Para. 35 B(3)</a>	Clarified in <a href="#">Exhibit 6</a> the dotted line is used for types 35 & 36; heavy line for all other types.	25025
<a href="#">Para. 35B(5)Ex</a>	Removed “Note: Do not use if plants are not completely mature.” Leaf factor is used for all stand reduction/leaf count method appraisals.	25025
<a href="#">Exhibit 1</a>	Added acronym for Maximum Over Established Price (MOEP).	25025-1
<a href="#">Exhibit 4, Item 55(a)</a>	Clarified only tobacco <u>eligible for QA</u> that has ZMV due to damage by insured causes must be destroyed and will not be included as PTC.	25025
<a href="#">Exhibit 4, Item 64(a), (b)(1)</a>	Clarified tobacco with ZMV must be due to an insured COL.	25025

**TOBACCO LOSS ADJUSTMENT STANDARDS HANDBOOK  
CONTROL CHART**

	TP Page(s)	TC Page(s)	Text Page(s)	Exhibit Page(s)	Date	Directive Number
Current Index	1-3	1-2	1-45	46-79	04-2023	FCIC-25025-1

**FILING INSTRUCTIONS**

This handbook replaces the [2023 Tobacco Loss Adjustment Standards Handbook, FCIC-25025 \(12-2022\)](#). This handbook is effective for the 2023 and succeeding crop years and is not retroactive to any 2022 or prior crop year determinations.

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**TOBACCO LOSS ADJUSTMENT STANDARDS HANDBOOK  
TABLE OF CONTENTS**

**PART 1: GENERAL INFORMATION AND RESPONSIBILITIES ..... 1**

    1    General Information..... 1

    2    AIP Responsibilities ..... 3

    3-10  (Reserved)..... 3

**PART 2: POLICY INFORMATION ..... 4**

    11   Insurability ..... 4

    12   Unit Division ..... 11

    13-15 (Reserved) ..... 11

**PART 3: QUALITY ADJUSTMENT ..... 12**

    16   Tobacco Quality Adjustment for Only Burley and Flue Cured Types ..... 12

    17   Tobacco Quality Adjustment for All Tobacco Types Other Than Burley or Flue Cured ..... 20

    18-20 (Reserved) ..... 30

**PART 4: REPLANTING PAYMENT PROCEDURES..... 31**

    21   Replanting Payment Procedures ..... 31

    22-30 (Reserved) ..... 31

**PART 5: APPRAISALS ..... 322**

    31   General Information..... 322

    32   Selecting Representative Samples..... 322

    33   Measuring Row Width for Sample Selection ..... 322

    34   Stages of Growth..... 333

    35   Appraisals Methods..... 333

    36   Deviations and Modifications..... 444

    37   General Information for Tobacco Appraisal Worksheet Entries and Completion Procedures... 444

    38-50 (Reserved) ..... 444

**PART 6: PRODUCTION WORKSHEET ..... 455**

    51   General Information for Production Worksheet Entries and Completion Procedures ..... 455

**TOBACCO LOSS ADJUSTMENT STANDARDS HANDBOOK  
TABLE OF CONTENTS**

**EXHIBITS ..... 466**

Exhibit 1 Acronyms and Abbreviations.....466

Exhibit 2 Definitions .....477

Exhibit 3 Form Standards - Tobacco Appraisal Worksheet for Stand Reduction .....499

Exhibit 4 Form Standards - Production Worksheet .....533

Exhibit 5 Minimum Representative Sample Requirements .....722

Exhibit 6 Feet of Row Per 100 Plants and Number of Plants Per Acre.....733

Exhibit 7 Tractor Row Acreage Correction Factors .....755

Exhibit 8 Request for Grading Services.....788

Exhibit 9 Inspection and Classification Certificate.....799



## PART 1: GENERAL INFORMATION AND RESPONSIBILITIES

### 1 General Information

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#### A. Purpose and Objective

The RMA-issued loss adjustment standards for this crop are the official standard requirements for adjusting losses in a uniform and timely manner. The RMA-issued standards for this crop and crop year are in effect as of the signature date for this crop handbook located at [www.rma.usda.gov](http://www.rma.usda.gov).

This handbook remains in effect until superseded by reissuance of handbook. A bulletin or FAD can supersede the original handbook.

#### B. Source of Authority

Refer to the LAM for sources of authority.

#### C. Title VI of the Civil Rights Act of 1964

The USDA prohibits discrimination against its customers. Title VI of the Civil Rights Act of 1964 provides that “No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.” Therefore, programs and activities that receive Federal financial assistance must operate in a non-discriminatory manner. Also, a recipient of RMA funding may not retaliate against any person because they opposed an unlawful practice or policy, or made charges, testified or participated in a complaint under Title VI.

It is the AIPs’ responsibility to ensure that standards, procedures, methods and instructions, as authorized by FCIC in the sale and service of crop insurance **policies**, are implemented in a manner compliant with Title VI. Information regarding Title VI of the Civil Rights Act of 1964 and the program discrimination complaint process is available on the USDA public website at [www.ascr.usda.gov](http://www.ascr.usda.gov). For more information on the RMA Non-Discrimination Statement see the DSSH.

**D. Related Handbooks**

The following table identifies handbooks that shall be used in conjunction with this handbook.

Handbook	Relation/Purpose
CIH	This handbook provides the official FCIC approved underwriting standards for policies administered by AIPs for the General Administrative Regulations, Actual Production History Regulation Subpart G; Common Crop Insurance Policy Basic Provisions, and Area Risk Protection Regulations.
DSSH	This handbook provides the official FCIC approved form standards and procedures for use in the sale and service of any eligible Federal crop insurance policy; required statements and disclosures; and the standards for submission and review of non-reinsured supplemental policies in accordance with the SRA.
GSH	This handbook provides the official FCIC approved standards for policies administered by AIPs under the General Administrative Regulations, Common Crop Insurance Policy Regulations Basic Provisions, including the Catastrophic Risk Protection Endorsement, Actual Production History Regulation Subpart G; the Area Risk Protection Insurance Regulations Basic Provisions; the Stacked Income Protection Plan of Insurance; the Rainfall Index Plans; and the Whole-Farm Revenue Protection Pilot Policy.
LAM	This handbook provides the official FCIC-approved general loss adjustment standards for all levels of insurance provided under FCIC unless a publication specifies that none or only specified parts of this handbook apply.

- (1) Terms, abbreviations, and definitions general (not crop specific) to loss adjustment are identified in the GSH and LAM.
- (2) Terms, abbreviations, and definitions specific to tobacco loss adjustment and this handbook are in [Exhibit 1](#) and [Exhibit 2](#), herein.

**E. CAT Coverage**

Refer to the CIH, GSH, and LAM for provisions and procedures not applicable to CAT.

**F. Irrigated Practice**

Refer to the DSSH for irrigated practice guidelines and to the CIH and LAM for other irrigated practice information.

**A. Utilization of Standards**

All AIPs shall utilize these standards for both loss adjustment and loss training for the applicable crop year. These standards, which include crop appraisal methods, claims completion instructions, and form standards, supplement the general (not crop-specific) loss adjustment standards identified in the LAM.

**B. Form Distribution**

The following is the minimum distribution of forms completed by the adjuster and signed by the insured (or the insured's authorized representative) for the loss adjustment inspection:

- (1) one legible copy to the insured; and
- (2) the original and all remaining copies as instructed by the AIP.

**C. Record Retention**

It is the AIP's responsibility to maintain records (documents) as stated in the SRA and described in the LAM.

**D. Form Standards**

- (1) The entry items in [Exhibit 3](#) and [Exhibit 4](#) are the minimum requirements for the Tobacco Appraisal Worksheets and PWs. All entry items are "Substantive" (they are required).
- (2) The Privacy Act and Non-Discrimination statements are required statements that must be printed on the form or provided to the insured as a separate document. These statements are not shown on the example form(s) in [Exhibit 3](#) and [Exhibit 4](#). The current Non-Discrimination Statement and Privacy Act Statement can be found on the RMA website at: [www.rma.usda.gov](http://www.rma.usda.gov).
- (3) The certification statement required by the current DSSH must be included on the PW directly above the insured's signature block immediately followed by the statement below:  
  
"I understand the certified information on this Production Worksheet will be used to determine my loss, if any, to the above unit. The insurance provider may audit and approve this information and supporting documentation. The Federal Crop Insurance Corporation, an agency of the United States, subsidizes and reinsures this crop insurance."
- (4) Refer to the DSSH for other crop insurance form requirements (such as point size of font, and so forth). The current DSSH can be found on the RMA website at: [www.rma.usda.gov](http://www.rma.usda.gov).

## PART 2: POLICY INFORMATION

The AIP determines if the insured has complied with all policy provisions of the insurance [policy](#). The Tobacco CP, which are to be considered in this determination include (but are not limited to):

### 11 Insurability

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The following may not be a complete list of insurability requirements. Refer to the BP, Tobacco CP, and SP for a complete list.

- (1) In accordance with section 8 of the BP and section 7 of the CP, the insured crop will be each tobacco type the insured elects to insure and for which a premium rate is provided by the actuarial documents:
  - (a) in which the insured has a share; and
  - (b) that meets all rotation requirements in the SP.
- (2) The insured will be considered to have a share in the insured crop if the insured retains control of the acreage on which the tobacco is grown, and the insured bears any risk if the crop is damaged or lost.
- (3) Refer to section 8 of the BP for additional provisions.
- (4) Insurable acreage is acreage planted to the insured crop in which the insured has a share, except for acreage:
  - (a) planted in any manner other than as provided in the definition of “planted acreage,” unless otherwise provided by the SP or by WA. Refer to definitions in [Exhibit 2](#).
  - (b) on which the insured crop is damaged, and it is practical to replant the insured crop and it is not replanted. In addition to this, tobacco acreage damaged before the final planting date to the extent that the majority of producers in the area would not normally further care for the tobacco crop, is not insurable unless such crop is replanted, or we agree that replanting is not practical. Refer to the BP and the LAM for the definition of “Practical to replant.”
- (5) Refer to the section 9 of the BP for additional reasons acreage is not considered insurable.
- (6) In lieu of the provisions in section 11 of the BP, coverage ends at the earlier of:
  - (a) total destruction of the tobacco on the unit;
  - (b) removal of the tobacco from the unit where grown, except for curing, grading, and packing;
  - (c) abandonment of the crop on the unit;

- (d) final adjustment of the loss on the unit;
  - (e) the calendar date for the end of the insurance period, which is the date immediately following planting and designated by tobacco types and states specified in the Tobacco CP (or as otherwise stated in the SP); or
  - (f) for Burley Tobacco only, the calendar date for the Final Harvest Date stated in the SP for any tobacco that remains unharvested after that date.
    - (i) Tobacco must be harvested, and hung in a curing facility no later than the date specified in the SP.
    - (ii) The insured must notify the AIP in writing no later than the date specified in the SP if any tobacco acreage will not be harvested. If the insured fails to comply with this requirement, any loss on such acreage will be considered solely due to an uninsured COL.
    - (iii) Any tobacco acreage that is not harvested, and hung in a curing facility by the date specified in the SP:
      - (A) will not be eligible for QA;
      - (B) that is damaged by an insurable COL prior to the date specified in the SP, will be considered to have been damaged solely by uninsured causes unless it is appraised by the AIP (the appraisal will be used in determining any indemnity that may be due); and
      - (C) will not be covered for any COL that occurs after the date specified in the SP.
- (7) It is the insured's responsibility to establish any loss of production or quality was due to an unavoidable insured COL as the result of a naturally occurring event that occurs during the insurance period. For example, even though fire is listed as a COL in section 10 of the CP, the fire damage must have been due to a natural event that occurred during the insurance period. Refer to the LAM for additional information about fire damage and specifically fire damage to curing tobacco in the barn.
- (8) In accordance with section 14 of the BP, if the insured has given notice of damage less than 15 days before harvest or during harvest of the tobacco, the insured must leave intact, unharvested representative samples of the crop (RSCs) in each field in the unit.
- (a) In accordance with section 11 of the Tobacco CP, the RSCs:
    - (i) must be at least 5 feet wide (at least two rows) and extend the entire length of each field in the unit.

- (ii) must not be harvested or destroyed until after the AIP [adjuster] has inspected them.
- (b) The adjuster's inspection of the RSCs is used to determine if the pounds and damage of the harvested tobacco are representative of the pounds and damage of the intact (unharvested plants) in the RSCs. The inspections of the RSCs are also used to assist in verifying if additional damage or additional insured causes occurred to the tobacco after the initial inspection or last inspection if more than one inspection occurred.
  - (i) The adjuster's inspection of the RSCs must be done as soon as possible after harvest on the unit has been completed, but generally not later than 15 days after harvest on the unit has been completed to ensure the integrity of the crop samples. Weather conditions and type of damage can result in the loss of the crop samples and/or integrity of the samples if the inspection is later than this date. The AIP must communicate closely with the insured to determine when harvest has been completed on the unit, to meet these requirements.
  - (ii) If the per-acre amount of marketable production in the RSCs appears to be greater than the harvested production, complete an appraisal and record on a Tobacco Appraisal Worksheet. If the per-acre appraisal of the RSCs is greater than the harvested production, notify your supervisor immediately before proceeding with completion of the claim.
  - (iii) In accordance with section 12(e) of the Tobacco CP, if the AIP has conducted an appraisal of the insured crop, determines that the harvested production reported by the insured is inconsistent with the appraised production, and the insured cannot prove an insurable cause occurred between the time of the appraisal and the end of the insurance period that caused a reduction in production, the claim will be settled based on the appraisal even if the insured has harvested the acreage. QA will not be applicable on such production.
- (c) **Documentation of the RSC Inspection.** The adjuster must document the RSC inspection on a Special Report and retain in the insured's loss file. The documentation must include, but is not limited to, the following:
  - (i) condition (extent and types of damage) of the tobacco in the RSCs and if it correlates to the harvested tobacco after it has been cured;
  - (ii) the estimated amount of production and if it is comparable to the number of pounds harvested. If an appraisal was completed as outlined in 8(b)(ii) above, attach the completed Tobacco Appraisal Worksheet to the Special Report and retain in the insured's file folder;
  - (iii) date harvest was completed on the unit;
  - (iv) if the inspection is later than 15 days after the date harvest was completed on the unit, why the inspection was done later than this;

- (v) any other pertinent information;
  - (vi) date of inspection; and
  - (vii) adjuster's signature and code number.
- (9) In accordance with section 11 of the Tobacco CP, the insured must leave all tobacco stalks and stubble in the unit intact for the AIP's inspection. The stalks and stubble must not be destroyed until the AIP (not the agent) gives written consent to do so, or until 30 days after the end of the insurance period, whichever is earlier. Refer to (c) below regarding when the AIPs can provide consent to destroy the stalks and stubble prior to an AIP inspection.
- (a) For any acreage where the stalks and stubble have been destroyed without the AIP's consent, the per-acre production guarantee will be assessed as PTC in accordance with section 12(c)(1)(i)(E) of the Tobacco CP.
  - (b) When only stubble is left after harvest because the stalks have been destroyed due to the type of harvesting equipment or harvest practice applicable to the type of tobacco, this meets the insured's policy requirements for leaving stalks and stubble but still requires an adjuster's inspection, unless (c) below applies.
  - (c) For any insureds that have not turned in a NOL on or prior to the day of completion of harvest on the unit, the AIP may provide consent to destroy the stalks and stubble.
  - (d) For any insureds that have turned in a NOL on or prior to the day of completion of harvest on the unit, a Stalk and/or Stubble Inspection must be completed as stated in (e) below.
  - (e) The adjuster's inspection of the remaining stalks and/or stubble is used to determine if all of the production, excluding the required representative samples of the crop, has been harvested from the acreage, as well as other information the adjuster might determine during this inspection.
    - (i) The inspection of the stalks and/or stubble must be completed as soon as possible after completion of harvest on the unit but generally not later than 15 days after harvest on the unit has been completed. If there was any unharvested tobacco, an inspection later than the 15 days may result in the adjuster being unable to determine whether there were or were not marketable leaves due to the deterioration of the tobacco as required in (ii) below. The AIP must communicate closely with the insured to determine when harvest has been completed on the unit, to meet these requirements. After the adjuster has inspected the stalks or stubble, the AIP may provide the insured written consent to destroy the stalks or stubble.

- (ii) If all of the production has not been harvested and it is determined that any remaining unharvested production is/was marketable but was not harvested, the adjuster must appraise and complete [a Tobacco Appraisal Worksheet](#). Do not include in the appraisal the representative samples of the tobacco as required in [Paragraph 11\(8\)](#) above. Include the appraised production as PTC on the PW.
- (f) The adjuster will document the stalk inspection on a Special Report or form developed by the AIP specific to a Stalk Inspection and retain in the insured's file folder. The documentation must include, but is not limited to, the following:
  - (i) whether all of the acreage and/or tobacco was harvested and if not, whether there was any remaining marketable tobacco that could have been harvested;
  - (ii) if an appraisal was completed as outlined in 9(e)(ii) above, attach the completed Tobacco Appraisal Worksheet to the Special Report;
  - (iii) date harvest was completed on the unit;
  - (iv) if the inspection is later than 15 days after the date harvest was completed on the unit, why the inspection was done later than this;
  - (v) any other pertinent information; e.g., types of disease(s) present, poor sucker control, infestation of weeds, poor management during curing process, etc.;
  - (vi) date of inspection; and
  - (vii) adjuster's signature and code number.
- (10) If the insured submitted a NOL to their AIP more than 15 days prior to harvest, the insured is not required to leave RSCs. When there are no RSCs for the adjuster to inspect, it may be more difficult for the insured to establish that an insured COL damaged the tobacco rather than damage being caused from poor harvest and/or barn management practices.
  - (a) When it is questionable whether the COL being claimed was due to an unavoidable insured COL that occurred in the field or the barn, the insured must provide verifiable documentation to the AIP that will establish the reason for the loss of production and/or quality was due to an unavoidable insured cause(s) of loss that occurred in the insurance period before a claim can be paid. Documentation the insured may provide to establish damage is due to an unavoidable insured COL can include, but is not limited to, the following:
    - (i) weather reports from local weather bureaus to prove the times and frequencies of adverse weather events that caused the loss of production and/or quality;
    - (ii) names of any tobacco pests or disease-causing damage and proof of control measures taken and the insured COL that caused the control measures to be ineffective; and



- (iii) the opinions of at least one tobacco agricultural expert; and
  - (A) the opinions can be from published material and/or written opinions regarding whether the COL was due to a natural cause that was unavoidable and whether the COL would have caused a yield loss and/or quality deficiency in the cured tobacco. If a written opinion is submitted, it must include a statement regarding any familial or other business relationship between the expert and the approved AIP, agent, loss adjuster, or insured. If the written opinion cannot be backed up with published materials, the insured must provide at least one other additional agricultural expert's opinion that supports this opinion as required in (B)(2) below.
  - (B) the recommendation of at least one additional agricultural expert if:
    - 1 the expert providing an opinion has a business relationship with the insured, such as providing of advice and/or sale of inputs to the insured's operation, or is employed by a firm that has provided such advice or inputs;
    - 2 the agricultural expert providing an opinion has a familial relationship with the insured or AIP, loss adjuster, or agent or will benefit financially from the outcome of the opinion as a result of some other business relationship other than disclosed amounts paid to provide a written opinion in a timely manner; or
    - 3 the written opinion in (iii) above is not supported by published documentation, then at least the opinion of one other agricultural expert that supports this opinion is needed.
- (b) The AIP will review and verify the documentation to determine if the documentation provided by the insured satisfactorily establishes there was an unavoidable cause(s) of loss that caused the damage or extent of damage. If the AIP determines the insured's documentation does not satisfactorily establish the cause and/or extent of damage, the AIP must take the appropriate action based on the evidence; i.e., pay the claim, assess uninsured cause appraisal for the portion of the loss the insured could not prove, or deny the claim.
- (c) Retain, in the insured's file folder, all copies of all of the insured's documentation and the AIP's documentation of the AIP's review and verification of the insured's documentation and actions taken.

(11) For Burley, Flue Cured, Dark Air, Fire Cured, and Maryland tobacco only:

- (a) contracted tobacco is eligible to be insured at the contracted tobacco price election (shown as the “Maximum Over Established Price” (MOEP) 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 MOEP is used when determining the calculated discount factor 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 established price election for non-contracted tobacco for all remaining pounds of the insured’s approved yield (based on insured 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 CPA 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 total contracted pounds are 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 to each BU in the same manner as required for proration of the contracted production over multiple counties for the CPA in the CIH Paragraph 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\(1\)](#) Example 3.

## 11 Insurability (Continued)

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Step	Action
1	For each BU, multiply the acres planted to burley, flue cured, fire cured, dark air, or Maryland tobacco times the approved APH yield to determine the approved yield for the unit. 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 to determine the total approved yield in pounds for all units.
3	Divide the result of step 1 (unit approved yield) for each applicable BU by the result of step 2 (total approved yield) to determine the proration factor for that BU. Round the result to three decimals.
4	Prorate the contracted pounds to each applicable BU by multiplying the total contracted pounds times the result of step 3 (proration factor) 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 BU 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, burley, dark air, fire cured, and Maryland 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 BUs.

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

## 13-15 (Reserved)

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## 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 the insured 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.

\*\*\*

- (a) the maximum number of pounds eligible for QA will be equal to **the total number** 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(2)(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.
- (b) the 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 PTC, even if it is destroyed.
- (c) in 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.
- (d) when there is a single production agreement that covers multiple units, the maximum number of pounds eligible for QA must be prorated to each unit as stated in [Paragraph 11 \(11\)\(d\)](#). If the prorated pounds eligible for QA in a unit are not exhausted, the carryover pounds may be used for other units. The AIP is to allocate the carryover pounds at their discretion.

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

5,000 lbs. with AMS grade of B4KV sold for \$1.00 per lb.

Chart DF = .400

Calculated DF =  $1.000 - (\$1.00 \div \$1.80 \text{ MOEP}) = .444 \text{ DF}$

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

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

4,000 lbs. with AMS grade of B5KV sold for \$.80 per lb.

Chart DF = .600

Calculated DF =  $1.000 - (\$.80 \div \$1.80 \text{ MOEP}) = .556$

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  $1.000 - 1.000 = 0.000$

The tobacco with the lowest DF will be adjusted first:

5,000 lbs. with a DF of .400

$5,000 \text{ lbs.} \times .600 \text{ (QAF)} = 3,000 \text{ pounds PTC}$

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

$4,000 \text{ lbs.} \times .444 \text{ (QAF)} = 1,776 \text{ lbs. PTC}$

Then: 1,000 lbs. with a DF of 1.000

$1,000 \text{ lbs.} \times .000 \text{ (QAF)} = 0 \text{ lbs. PTC}$  (if adjuster visually witnesses destruction)

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

PTC for the unit:

$3,000 \text{ lbs.} + 1,776 \text{ lbs.} + 0 \text{ lbs.} + 2,000 \text{ lbs.} = 6,776 \text{ lbs.}$

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 lbs. for the unit. 10,000 lbs. are eligible for QA. The insured harvested/sold 3,000 lbs. that were not graded by AMS. The insured also harvested/sold 4,000 lbs. that were graded by AMS at a B4KV (potential .400 DF depending on calculated DF). There are acres that have yet to be harvested. There are still 6,000 lbs. eligible for QA (10,000 lbs. eligible for QA - 4,000 lbs. graded and sold) that are available for the unharvested acres if the production from these acres is damaged when harvested/sold.

**Example 3:** Insured produces flue cured tobacco on 3 BUs. (See table in [Paragraph 11 \(11\)\(d\)](#) for instructions for prorating the contracted lbs.) The approved yields for the planted acres are as follows:

Unit 0001-0001

10 planted acres × 2,000 lbs. approved APH yield = 20,000 lbs. unit approved yield

Unit 0002-0001

5 planted acres × 1,200 lbs. approved APH yield = 6,000 lbs. unit approved yield

Unit 0003-0001

15 planted acres × 1,500 lbs. approved APH yield = 22,500 lbs. unit approved yield  
 48,500 lbs. total approved yield

**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	×	Contracted lbs.	=	Prorated contracted lbs. eligible for QA
0001-0001	20,000	÷	48,500	=	.412	×	40,000	=	16,480
0002-0001	6,000	÷	48,500	=	.124	×	40,000	=	4,960
0003-0001	22,500	÷	48,500	=	.464	×	40,000	=	18,560
Totals	48,500				1.000				40,000

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.
TOTAL	42 bales - 25,200 lbs.	25 bales - 15,000 lbs.	17 bales - 10,200 lbs.

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

Unit	Grade	1.000	-	DF	=	QAF	×	Pounds	=	Production To Count (Lbs.)		
0001-0001	B4KV	1.000	-	.400	=	.600	×	9,000	=	5,400		
0001-0001	C4G	1.000	-	.600	=	.400	×	4,200	=	1,680		
0001-0001	NO-G	1.000	-	1.000	=	.000	×	3,280	=	0		
0001-0001	NO-G	NA	-	NA	=	NA	×	320*	=	320		
								Total		16,800		7,400

\* 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	×	Pounds	=	Production To Count (Lbs.)		
0002-0001	B4KV	1.000	-	.400	=	.600	×	4,800	=	2,880		
0002-0001	C4G	1.000	-	.600	=	.400	×	160	=	64		
0002-0001	C4G	NA	-	NA	=	NA	×	1,040*	=	1,040		
0002-0001	NO-G	NA	-	NA	=	NA	×	1,800*	=	1,800		
								Total		7,800		5,784

\* 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	×	Pounds	=	Production To Count (Lbs.)		
0003-0001	B4KV	1.000	-	.400	=	.600	×	11,400	=	6,840		
0003-0001	C4G	1.000	-	.600	=	.400	×	7,160	=	2,864		
0003-0001	C4G	NA	-	NA	=	NA	×	2,440*	=	2,440		
0003-0001	NO-G	NA	-	NA	=	NA	×	4,800*	=	4,800		
								Total		25,800		16,944

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

(2) For Burley and Flue Cured Tobacco Only:

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 EOIP.
  - (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:



- (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 MOEP (No Practice Specified - 997) rounded to 3 decimal places, 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	MOEP	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	MOEP	Calc. DF	Lesser of chart DF or Calc. DF	QAF (1.000 - DF)	PTC
500	C4G	.600	NA	NA	.500	.500	.500	250

- (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.
- (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.

- (1) Mature (harvested and cured) tobacco production may be adjusted for quality deficiencies if, due to an insurable cause, the average value of the **damaged** harvested tobacco is less than 75 percent of the insured's price election and all of the other quality criteria are met based on the criteria in items (2)-(8). Refer to 17(6)(b) for examples. **For harvested production, the average value is determined by dividing the value of all harvested production by the total harvested pounds for the tobacco types.**
- (a) The average value for harvested production includes the value of damaged and undamaged harvested production. Refer to [Subparagraph 35D](#) for information about appraising unsold harvested tobacco remaining in the barn.
- (b) There is no QA on appraised unharvested production, and it is counted pound for pound and valued at the insured's price election.

**(2) For Dark Air, Fire Cured, and Maryland Tobacco Only**

- (a) **The maximum number of pounds eligible for QA will be an amount equal to the total number of pounds of contracted Dark Air, Fire Cured, or Maryland tobacco on all valid production agreements. Non-contracted Dark Air, Fire Cured, and Maryland tobacco will not be eligible for QA and is counted pound for pound and valued at the insured's price election. If the insured produces both contracted tobacco and non-contracted tobacco, the price election will be the weighted average price. Refer to [Paragraph 11 \(11\)\(b\)](#).**
- (b) **When there is a single production agreement that covers multiple units, the maximum number of pounds eligible for QA must be prorated to each unit as stated in [Paragraph 11 \(11\)\(d\)](#). If the prorated pounds eligible for QA in a unit are not exhausted, the carryover pounds may be used for other units. The AIP is to allocate the carryover pounds at their discretion.**
- (c) **If more than the maximum number of pounds eligible for QA are damaged by insurable causes and qualify for QA, the tobacco with the highest value per pound will be adjusted first. Tobacco with the next highest value per pound will be adjusted next. Continue in this manner until the total pounds of contracted tobacco have been reached. Once the total pounds of contracted tobacco have been reached any excess pounds of tobacco will not be eligible for QA. When calculating the reduction in number of pounds to count in section 12(f)(5)(ii) of the Tobacco CP, the number of pounds of tobacco determined to be eligible for QA will be used in lieu of the number of pounds of damaged production.**

**Example 1:** Production agreement for 10,000 lbs. of Dark Air Tobacco.  
 APH of 2,076 lbs./acre × 15 planted acres = 31,140 lbs. production

Determine weighted average price per pound:

- 10,000 lbs. contracted + 10% = 11,000 lbs. (contracted) × \$2.50 (MOEP) = \$27,500
- 31,140 lbs. - 11,000 lbs. = 20,140 lbs. (non-contracted) × \$0.90 (established price) = \$18,126
- \$27,500 + \$18,126 = \$45,626 ÷ 31,140 lbs. = \$1.47 weighted average price election

APH of 2,076 lbs./acre × 15 planted acres = 31,140 lbs. × 75% coverage level × \$1.47 = \$34,332 guarantee.

\$1.47 weighted average price election × 75% = \$1.10 (average value of damaged production must be less than \$1.10 to qualify for QA)

Harvested and sold production = 15,000 lbs.

Total value of sold production = \$15,825

\$15,825 ÷ 15,000 lbs. = \$1.06/lb. average value (all tobacco qualifies for QA)

\$1.06 Avg. value ÷ \$1.47 weighted average price election = .721 QAF

Selling Price per pound	Tobacco Sold (Lbs.)	x	QAF	=	Production to count (Lbs.)
\$1.65	2,500	x	.721	=	1,803
\$1.60	1,000	x	.721	=	721
\$1.15	600	x	.721	=	433
\$1.10	3,000	x	.721	=	2,163
\$1.05	1,200	x	.721	=	865
\$1.00	200	x	.721	=	144
\$0.85	1,500	x	.721	=	1,082
<b>\$0.70</b>	<b>2,500**</b>	<b>x</b>	<b>NA</b>	<b>=</b>	<b>2,500</b>
<b>\$0.65</b>	<b>2,500**</b>	<b>x</b>	<b>NA</b>	<b>=</b>	<b>2,500</b>
	<b>15,000</b>			<b>=</b>	<b>12,211</b>

\*\*5,000 lbs. of non-contracted tobacco do not qualify for QA

7,211 lbs. quality adjusted tobacco  
 + 5,000 lbs. non-contracted tobacco  
 12,211 lbs. total PTC

12,211 lbs. PTC × \$1.47 price election = \$17,950

\$34,332 guaranteed value - \$17,950 PTC value = \$16,382 indemnity

**Example 2:** Insured produces Dark Air tobacco on 3 BUs. (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 × 2,000 lbs. approved APH yield = 20,000 lbs. unit approved yield
- Unit 0002-0001: 5 planted acres × 1,200 lbs. approved APH yield = 6,000 lbs. unit approved yield
- Unit 0003-0001: 15 planted acres × 1,500 lbs. approved APH yield = 22,500 lbs. unit approved yield

48,500 lbs. total approved yield

Insured has 1 production agreement for 40,000 lbs. that covers all 3 units. Prorate Pounds Eligible for QA by Unit as follows:

Unit	Unit Approved Yield	÷	Total Approved Yield	=	Proration Factor	×	Contracted lbs.	=	Prorated Contracted lbs. Eligible For QA
0001-0001	20,000	÷	48,500	=	.412	×	40,000	=	16,480
0002-0001	6,000	÷	48,500	=	.124	×	40,000	=	4,960
0003-0001	22,500	÷	48,500	=	.464	×	40,000	=	18,560
<b>Total</b>	<b>48,500</b>				<b>1.000</b>				<b>40,000</b>

Determine weighted average price:

Unit	Unit Approved Yield	Prorated Contracted lbs.	Prorated lbs. + 10%	Non-Contracted lbs.	Contracted lbs. × \$2.50 MOEP	Non-Contracted lbs. × \$0.90 Established Price	Total	÷	Unit lbs.	Unit Weighted Average Price Election
0001-0001	20,000	16,480	18,128	1,872	\$45,320	\$1,685	\$47,005	÷	20,000	\$2.35
0002-0001	6,000	4,960	5,456	544	\$13,640	\$490	\$14,130	÷	6,000	\$2.35
0003-0001	22,500	18,560	20,416	2,084	\$51,040	\$1,876	\$52,916	÷	22,500	\$2.35
<b>Total</b>	<b>48,500</b>	<b>40,000</b>	<b>44,000</b>	<b>4,500</b>			<b>\$114,051</b>	÷	<b>48,500</b>	<b>\$2.35</b>

## 17 Tobacco Quality Adjustment for All Tobacco Types Other Than Burley, Flue Cured (Continued)

### Determine the unit guarantee:

Unit	APH Yield	x	Planted Acres	=	Unit Approved Yield	x	Coverage Level	x	Weighted Average Price Election	=	\$ Guarantee
0001-0001	2,000	x	10.0	=	20,000	x	75%	x	\$2.35	=	\$36,450
0002-0001	1,200	x	5.0	=	6,000	x	75%	x	\$2.35	=	\$10,935
0003-0001	1,500	x	15.0	=	22,500	x	75%	x	\$2.35	=	\$41,006
			30.0								\$88,391

\$2.35 weighted average price election × 75% = \$1.76 (average value of damaged production for the unit must be less than \$1.76 to qualify for QA)

The insured harvested and sold a total of 50,000 pounds of Dark air Tobacco for a total value of \$65,268.21. Insured's sales records from the Contractor shows he sold the following for each individual unit:

### Determine the Quality Adjustment Factor:

Unit	Value of Sold Production	÷	Total Pounds Sold	=	Average Value	÷	Weighted Average Price Election	=	QAF
0001-0001	\$30,456.56	÷	20,130	=	\$1.51	÷	\$2.35	=	.643
0002-0001	\$14,325.15	÷	9,745	=	\$1.47	÷	\$2.35	=	.626
0003-0001	\$20,486.50	÷	20,125	=	\$1.37	÷	\$2.35	=	.583
Total	\$65,268.21		50,000						

### Indemnity Calculation:

Unit	Pounds Sold	Contracted Lbs.	x	QAF	=	QA PTC	+	Non QA lbs.	=	PTC	x	Weighted Average Price Election	=	\$ PTC	\$ Guarantee	\$ Guarantee minus SPTC Indemnity
0001-0001	20,130	16,480	x	.643	=	10,597	+	3,650	=	14,247	x	\$2.35	=	\$33,480	\$36,450	\$2,970
0002-0001	9,748	4,960	x	.626	=	3,105	+	4,785	=	7,890	x	\$2.35	=	\$18,541	\$10,935	\$0
0003-0001	20,125	18,560	x	.583	=	10,820	+	1,565	=	12,385	x	\$2.35	=	\$29,106	\$41,006	\$11,900

(3) In accordance with section 12(f)(1) of the Tobacco CP, the insured must contact the AIP before any mature, cured tobacco is disposed of so the AIP can inspect the tobacco to determine the extent of the damage. In accordance with section 12(f)(3) of the Tobacco CP, if the insured disposes of any tobacco before the AIP has the opportunity to inspect the tobacco, no QA for such production is allowed, regardless of the average value of the production. Also, see (4) below.

(4) Determining Average Value.

- (a) The average value is determined by dividing the value of all of the harvested production by the total pounds of production that has a value, excluding pounds of harvested tobacco with ZMV. If the AIP determines the value received for the harvested tobacco is not reasonable, the AIP may adjust the average value to a reasonable value as stated in (6) below. Tobacco production having ZMV is adjusted separately from the tobacco having a value. Refer to 17(9) below for information regarding harvested tobacco with ZMV.

- (b) Regardless of the variances in damage (due to unavoidable insured causes) to the tobacco in the unit, (including tobacco having some damage and some having no damage), if the average value of all of the harvested tobacco (excluding harvested tobacco with ZMV) in the unit is less than 75 percent of the insured's price election, all of the harvested production will be eligible for QA. Examples of when this could happen include, but are not limited to the following:

**Example 1:** Some types of tobacco have leaves harvested, cured, and sold at various times throughout the season. If the earliest harvested, cured and sold tobacco contained no damage and then an unavoidable, insured COL occurred to the remaining tobacco on the stalks, any of the damaged and undamaged leaves harvested from the stalk will be quality adjusted if the average value of all harvested tobacco (excluding harvested ZMV tobacco) is less than 75 percent of the insured's price election.

**Example 2:** Some types of tobacco are harvested with the tobacco leaves still on the stalk. If some of the tobacco that had no damage was harvested and placed in the barn for curing and then an unavoidable, insured COL occurred to the remaining tobacco still in the field that is subsequently harvested, all of the damaged and undamaged tobacco will be quality adjusted if the average value of all harvested tobacco (excluding harvested ZMV tobacco) is less than 75 percent of the insured's price election.

(5) Section 12(f)(2) of the Tobacco CP indicates that if the average value for the harvested tobacco does not correlate with the amount of damage determined by the AIP during the inspections outlined in [Paragraph 11\(8\)](#) and/or [Paragraph 17\(2\)](#) above, as applicable, the AIP has the authority to consider the average value unreasonable. If the AIP determines the average value of the damaged production for the tobacco is:

- (a) reasonable, the AIP will use this average value to determine the QAF.
- (b) unreasonable, the AIP may adjust the average value (to reflect a reasonable average value for the damaged production) to determine the QAF.

(6) The AIP's inspection of tobacco growing in the field will meet the requirement stated in (2) above and can be used to assist in determining if the average value of the tobacco is reasonable for the extent of damage as stated in (4) above. However, the insured must contact the adjuster if the expected quality changes. The adjuster may need to perform additional inspections to document the change in expected quality.

- (a) The adjuster must document the inspection on a Special Report or an inspection report developed just for this purpose and a copy must be retained in the insured's file folder. The report must contain the following at a minimum, but is not limited to:



- (i) the condition and extent of damage of the tobacco (including cause(s) of damage (e.g., excess precipitation and disease)) at the time of the inspection.
  - (ii) a statement indicating the insured must notify the AIP so another inspection can be completed if the condition or extent of damage of the tobacco changes or any tobacco is sold at or below a price determined by the AIP at the time of the inspection.
  - (iii) a certification statement that the insured has read the above and agrees to notify the AIP as outlined above.
  - (iv) The insured's signature and date of signature.
  - (v) the adjuster's signature and date of signature.
- (b) Examples of Adjusting the Average Value at Loss Time:

**Example 1:** The insured harvests 20,000 lbs. of Fire Cured Tobacco:  
The insured's price election is \$2.75  
QA would start only if the Average Value of all harvested production in the unit fell below \$2.06 ( $\$2.75 \times .75$ )  
Sales records show the pounds, price per pound, and quality (grade)  
The insured sells 10,000 lbs. to buyer A @ \$2.50 lb.  
The insured sells 10,000 lbs. to buyer B @ \$0.75 lb.  
Based on sales records, the Average Value = \$1.63 ( $\$32,500 \div 20,000$  lbs.)

Based on inspection prior to the sale of the tobacco, the AIP determines the Average Value is unreasonable for the quality of the tobacco  
The AIP concludes the value received from buyer A is reasonable  
The AIP concludes the value received from buyer B is unreasonable  
The AIP determines the reasonable value per lb. for the production sold to buyer B is \$1.10 rather than \$0.75

The average value would be adjusted as follows:  
Buyer A: 10,000 lbs.  $\times$  \$2.50 = \$25,000  
Buyer B: 10,000 lbs.  $\times$  \$1.10 = \$11,000 (adjusted value)  
 $\$36,000 \div 20,000$  lbs. = \$1.80 (Adjusted Average Value)  
The value is below \$2.06 so quality would apply  
 $QAF = \$1.80 \div \$2.75 = .655$   
 $PTC = 20,000 \times .655 = 13,100$  lbs.

**Example 2:** Same scenario as Example 1, except the quality (grade) of the production that was sold to buyer B is the same quality as sold to buyer A.

The AIP would use the same value as applied by buyer A. The average value would be, as follows:

Buyers A: 10,000 lbs. × \$2.50 = \$25,000

Buyers B: 10,000 lbs. × \$2.50 = \$25,000 (adjusted value)

\$50,000 ÷ 20,000 lbs. = \$2.50 (Adjusted Average Value)

Because the Adjusted Average Value is higher than \$2.06, no QA can be applied.

- (c) Ways to determine if the value is reasonable:
- (i) All Sold Tobacco: If tobacco of the same quality has been sold to one buyer and the AIP determines the price is reasonable, and part of the production is unreasonable based on the extent of damage, the AIP may use the same value applied by the buyer using a reasonable value. See Example 2 above.
  - (ii) Some Tobacco Sold and Some Unsold: When some tobacco has been sold and some mature, cured tobacco has not, and the unsold tobacco is of the same quality, use this value to value the unsold tobacco, provided the value determined for the sold tobacco is reasonable for the extent of quality damage. If no quality determinations have been made by a potential buyer for any unsold tobacco (extent of damage), AMS grading may be obtained to determine the quality. The AMS Inspection and Classification Certificate (refer to [Exhibit 9](#)) meets the policy-required record showing quality for QA purposes, and a copy must be retained in the insured's file folder. Refer to 17(5)(d) below for additional information for obtaining AMS grades.
  - (iii) All Cured Tobacco is Unsold: If the AIP cannot obtain a written offer for the unsold tobacco from someone who is in the business of buying tobacco and the loss adjuster verifies that there is no buyer in the area willing to buy the tobacco or that will provide a written offer of a reasonable value for such tobacco, no QA will apply. If a written offer is obtained, the following applies:
    - (A) the written offer will serve as the policy-required record showing the price, and a copy must be retained in the insured's file folder.
    - (B) the written offer is to include at least (but is not limited to):
      - 1 the insured's name;
      - 2 policy and unit number;

- 3 tobacco type; e.g., Fire Cured;
- 4 offeror's name and address;
- 5 dollar offer for the quality of tobacco being offered;
- 6 number of pounds, date of offer; and
- 7 offeror's signature (or person authorized to sign for the offeror).

- (E) the AIP may submit samples to AMS to determine the quality (extent of damage) to assist in determining reasonable values. Refer to 17(5)(d) below for additional information for submitting samples to AMS.
- (F) if offers are not reasonable based on the extent of damage, the AIP may adjust the average value.
- (G) the AMS Inspection and Classification Certificate (refer to [Exhibit 9](#)) meets the policy requirement of a record showing quality for QA purposes, and a copy must be retained in the insured's file folder.

- (iv) when the AIP questions whether the value received is reasonable, or whether an offer for unsold production is reasonable, the AIP may be able to average the values their insureds have received for the same type and quality of tobacco from the claims that they have finalized, as a way to determine if the average value is reasonable.

(d) AMS Tobacco Grading

There may be times when AMS tobacco grading can be used to help the AIP determine if there is damage or the extent of damage to the tobacco, or to serve as the required policy record showing quality for QA purposes when the tobacco is unsold, and the insured does not have a record of quality. The AIP may obtain and submit samples on behalf of the insured, or the insured can arrange for AMS to grade the tobacco in the barn where the production is stored to determine the grade of the cured tobacco. If AMS grades the tobacco in the barn, the adjuster must also be present during the inspection.

- (i) Costs of AMS Grading:
  - (A) a one (1) pound sample submitted to AMS will cost \$55.00, unless specified otherwise by AMS.

- (B) AMS grading tobacco in the barn will cost \$55.00 an hour (unless specified otherwise by AMS) to grade the tobacco, including travel time to and from the site.
- (ii) Adjuster Submitted Samples. Collect approximately one (1) pound 30 – 60 leaves for each “lot.”
  - (A) When tobacco is hanging or stored in a barn, a barn will be considered a “lot” unless it appears that the tobacco appears to have varying quality. If it appears there is differing quality, a lot will be considered by the differing quality in the barn. The one-pound sample will be taken from the samples collected as outlined in the procedures in [Subparagraph 35D](#).
  - (B) When tobacco is baled, 100 bales of like quality are considered a “lot.” Collect the samples from the bales as instructed in [Subparagraph 35D](#).
- (iii) Packaging and mailing sample for shipment.
  - (A) Wrap the one-pound sample in a plastic bag and place in a postal shipping box;
  - (B) Ship by United States Postal Service Priority Mail, Federal Express or United Parcel Service overnight shipping. The package must also include:
  - (C) Include a “Request for Grading Services” form filled out by adjuster/insurance representative and a payment of \$55.00 (the form provides the payee title). Refer to [Exhibit 8](#).
  - (D) The mailing address and telephone are as follows:  
USDA, AMS Cotton and Tobacco Programs  
Attention: Bobby Wellons  
1306 Annapolis Drive, Room 201  
Raleigh, NC 27608-0001  
Telephone: 919-[524-5328](#)
- (iv) For specific instructions for AMS requests of grading at the insured’s tobacco barn, contact AMS at the above telephone number.

[\(7\)](#) PTC will be reduced only if the average value of the harvested and mature tobacco (excluding tobacco with ZMV) is less than 75 percent of the insured’s tobacco price election. Harvested tobacco having ZMV is determined separately from tobacco having a value (refer to [\(7\)](#) and [\(8\)](#) below). The production will not be quality adjusted unless the insured provides the AIP with records that are acceptable to the AIP and which clearly show the number of pounds, price per pound, and the quality of such production. All such records must be retained in the insured’s file folder. If the insured cannot provide records, no QA is allowed for such production.

- (a) If the insured knows the tobacco will not be sold at an auction where quality (grades) are not shown on the records provided by the auction house:
  - (i) a sample of the tobacco to submit to AMS may be obtained by an adjuster prior to the tobacco being delivered to the auction house; or
  - (ii) the insured can arrange for AMS to grade the tobacco prior to delivery to the auction house. The adjuster must be present when AMS grades the tobacco in the barn.
- (b) The AMS grade shown on the AMS Inspection and Classification Certificate (refer to [Exhibit 9](#)) meets the policy-required record showing quality and the sales record of the auction warehouse meets the policy-required record showing the pounds and value (subject to AIP adjustment if the value is unreasonable) for QA purposes. Refer to [Paragraph 17\(6\)\(d\)](#) above for additional information regarding AMS grading.
- (c) Refer to [Paragraph 17\(6\)\(c\)](#) above for policy record requirements for the value of production when there is unsold production.

**(8)** If the average value of the harvested tobacco (excluding harvested tobacco with ZMV – refer to 17(8) below) is less than 75 percent of the insured’s price election, and all of the other QA criteria are met, the PTC for the harvested tobacco will be reduced as follows:

- (a) divide the average value per pound of the harvested tobacco as determined in 17(6) above by the insured’s price election resulting in a QAF, rounded to three-decimal places. Refer to [Exhibit 4](#) for the entry instructions for Columns “64a, 64b, and 65” in “Section II, C - Adjustments to Harvested Production” of the PW.
- (b) multiply the QAF in column 65 by the pounds of harvested production.

**(9)** If the AIP determines any harvested tobacco has been damaged to the extent that it has ZMV due to an insured COL, the harvested tobacco production will be adjusted to zero PTC, provided the insured destroys such production in a manner acceptable to the AIP.

- (a) The number of pounds of tobacco with ZMV that the insured has satisfactorily destroyed is entered and adjusted on a separate line on the PW from harvested tobacco with a value. The number of pounds having ZMV is multiplied by the QAF. The QAF (column 65, “Quality Factor”) is determined by dividing 0.00 (Column 64a, “Value”) by the insured’s price election (column 64b, “Market Price”) resulting in a QAF of .000. Refer to [Exhibit 4](#) for the entry instructions for Column 64a in “Section II, C - Adjustments to Harvested Production” of the PW.

**17 Tobacco Quality Adjustment for All Tobacco Types Other Than Burley, Flue Cured (Continued)**

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- (b) If the insured refuses to destroy such tobacco or does not destroy it in a manner acceptable to the AIP, the value will be considered to be the insured's price election and will be included in determining the average value of the total harvested production. Refer to [Exhibit 4](#) for the entry instructions for Column 64a, "Value" in "Section II, C - Adjustments to Harvested Production" of the PW. Also, refer to the LAM for additional information about destruction and documentation of ZMV production.

**18-20 (Reserved)**

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## PART 4: REPLANTING PAYMENT PROCEDURES

### 21 Replanting Payment Procedures

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There is currently no replanting payment available for tobacco. Refer to [Paragraph 11\(4\)](#) for replanting requirements for damaged production.

### 22-30 (Reserved)

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## PART 5: APPRAISALS

### 31 General Information

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Potential production will be appraised in accordance with procedures specified in this handbook and the LAM. This includes production from lower stalk mature tobacco leaves (or leaves from any other stalk position) removed because the buyer refuses to accept production from this particular stalk position. This production must be included as PTC. If the insurance provider is not given the opportunity to appraise the tobacco and determine the amount of production before it is destroyed, then an appraisal for uninsured causes must be assessed in accordance with section 12(c)(1)(B) of the Tobacco CP.

### 32 Selecting Representative Samples

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- (1) Determine the minimum number of required samples for a field or subfield by the field size, the average stage of growth, age (size) and general capabilities of the plants, and variability of potential production and plant damage within the field or subfield. Adjoining fields cannot be combined and appraised as one field.
- (2) Split the field into subfields when:
  - (a) variable damage causes the crop potential to appear to be significantly different within the same field; or
  - (b) the insured wishes to destroy a portion of a field.
- (3) Appraise each subfield separately.
- (4) Take not less than the minimum number (count) of representative samples required in [Exhibit 5](#) for each field and subfield.

### 33 Measuring Row Width for Sample Selection

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Use these instructions for all appraisal methods that require row width determinations.

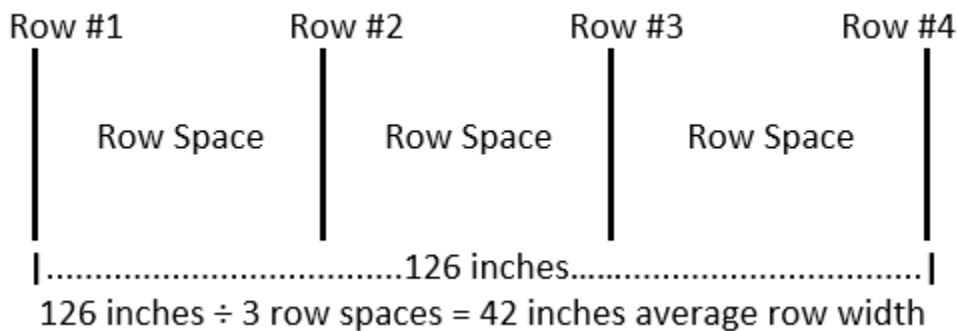
- (1) Use a measuring tape marked in inches or convert a tape marked in tenths, to inches. Refer to the LAM for conversion table.
- (2) Measure across three or more row spaces, from the center of the first row to the center of the fourth row (or as many rows as needed) and divide the result by the number of row spaces measured across, to determine an average row width in whole inches.



### 33 Measuring Row Width for Sample Selection (Continued)

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Example:



(3) Where rows are skipped for tractor and planter tires, refer to the LAM.

### 34 Stages of Growth

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Length of time required to reach various stages of growth after transplanting to the completion of harvest:

Stages	Length of Time (After Transplanting)
Beginning of growth	3 to 7 days
10 <sup>th</sup> leaf stage	4 to 5 weeks
Bloom stage	6 to 9 weeks
Beginning of harvest	2 to 2 1/2 months
Completion of harvest	3 to 4 months

### 35 Appraisals Methods

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#### A. General Information

(1) These instructions provide information on appraisal methods for:

Appraisal Methods...	Use...
Stand Reduction/Leaf Count Method	from the time of transplanting until all of the crop is harvested or removed from the field.
Machine Harvesting Method	for tobacco that can be machine harvested.
Cured Tobacco Hanging or Stored in the Barn Method	for tobacco which is completely cured and in proper moisture content as required for market.

**A. General Information (Continued)**

- (2) The potential yield per acre of hand harvested tobacco is based on the number of normal leaves per acre remaining after damage, plus the number of leaves yet to emerge (if any). The total number of leaves divided by the number of normal leaves in one pound is the number of pounds of potential production per acre.
- (3) The potential yield per acre of machine harvested tobacco is based upon the number of normal leaves per acre remaining after damage, plus leaves yet to emerge (if any) on plants that will withstand machine harvesting. The number of leaves which can be harvested by machine divided by the number of normal leaves in one pound is the number of pounds of potential production per acre.
- (4) Delay appraisals at least seven days after the date of hail damage for unharvested tobacco.

**B. Stand Reduction/Leaf Count Methods**

- (1) Selecting Representative Samples:
  - (a) measure row widths as instructed in [Paragraph 33](#) to determine the average row-width.
  - (b) measure the original plant spacing.
  - (c) using the row-widths and plant spacing determined in steps (a) and (b), follow the instructions in [Exhibit 6](#) to determine the length of row per 100 plants and the number of plants per acre in the original planting pattern.
  - (d) select representative areas and rows in the field or subfield for each sample as indicated in [Paragraph 32](#). Pick a random point to start in the row. Measure the Length of Row per 100 plants as determined in (c) above.
- (2) Stand Reduction Procedure:
  - (a) count the number of remaining **live** plants in the sample that will produce marketable leaves. Subtract this number from 100 to determine plant loss per 100 plants.

**Example:**  $100 - 52$  (live plants with marketable leaves) = 48 percent plant loss.
  - (b) record result of item (2) (a) above in Part I – Sample Determinations-Percent Plant Loss (item 15) of the **Tobacco Appraisal Worksheet**.

**B. Stand Reduction/Leaf Count Methods (Continued)**

(3) Determining Percent Potential:

- (a) potential production on high plant population acreage does not usually decrease in direct proportion to a decrease in plant population. When plant population of the original stand is about 6,000 plants per acre or less, the potential production is usually in direct proportion to reduction of stand.
- (b) Refer to [Exhibit 6](#). When the plant population (number of plants per acre) is above the heavy line (use dotted line for types 35 & 36; heavy line for all other types.), as indicated in [Exhibit 6](#), only the percent of stand reduction in excess of 10 percent is allowed toward reduction in the percent of potential. Stand reductions to plant populations below the heavy line are allowed in direct proportion to plant reductions.
- (c) when the original plants per acre is above the heavy line (use dotted line for types 35 & 36; heavy line for all other types.), as indicated in [Exhibit 6](#), or otherwise calculated to be 6,198 or greater, subtract the average percent plant loss from 110 percent to obtain the percent potential.
- (d) when the original plants per acre is below the heavy line (use dotted line for types 35 & 36; heavy line for all other types.), as indicated in [Exhibit 6](#), or otherwise calculated to be less than 6,198, subtract the average percent plant loss from 100 percent to obtain the percent potential. The percent potential cannot exceed 1.000. Enter percent potential (expressed as a 3-place decimal) in item 31 of the [Tobacco Appraisal Worksheet](#).

**Example:**

<b>Above Heavy Line</b>	<b>Below Heavy Line</b>
110.0	100.0
- 55.3% Plant Loss	- 55.3% Plant Loss
54.7% Potential	44.7% Potential
<b>.547% Potential (item 31)</b>	<b>.447% Potential (item 31)</b>

- (e) the potential yield per acre is based on the determination of the number of normal leaves per acre after damage plus the number of leaves yet to emerge (if any), divided by the number of normal leaves required to weigh one pound.
- (4) Leaf Count Procedure:
- (a) in each sample row used to determine stand reduction, select 10 consecutive plants which will produce marketable leaves. When there is a dead plant, missing plant, or plant with no marketable leaves in the row, move to the next plant in the row that will produce marketable leaves to achieve the 10 consecutive plant sample.

**B. Stand Reduction/Leaf Count Methods (Continued)**

- (b) strip the 10 consecutive live plants of all unmarketable leaves. (For machine harvesting, strip all leaves that will not be machine harvested due to insurable causes.) Count the number of marketable leaves remaining on all 10 plants and record in item 16 on the Tobacco Appraisal Worksheet.
  - (c) examine the leaves counted in (b) above, determine the average size relative to a normal leaf (considering the stage of maturity). Leaf size may vary, and size may be affected by drought, excessive moisture, disease, or cultural practices. Determine the appropriate leaf factor to use to convert leaves to normal leaf size, as follows in (5) below.
  - (d) using the same 10 plants, count the total number of leaves which normally would be expected to emerge for harvesting, and record in item 19 of the Tobacco Appraisal Worksheet. Take into consideration leafing stages, condition of the stalk, type, variety, and stress from any insured cause of damage.
  - (e) complete Part I Sample Determinations, using the instructions in [Exhibit 3](#), items 15 thru 20.
- (5) Mature Tobacco Leaf Computation for All Types:
- (a) measure length and width in inches of the largest leaf, on each of the 10 consecutive live plants in the sample.
  - (b) total the lengths of the largest leaf on the 10 plants and divide by 10, rounded to tenths.
  - (c) total the widths of the largest leaf on the 10 plants and divide by 10, rounded to tenths.
  - (d) multiply the average length, obtained in (a) above, times the average width, obtained in (b) above, and divide by 371 (sq. in./avg. leaf) = leaf size factor (rounded to tenths) and record in Item 17 of the Tobacco Appraisal Worksheet.
- Example:**     38.0 (average length from 10 plants) × 20.8 (average width from 10 plants) 790.4 ÷ 371 = 2.130 rounded to tenths (2.1 factor).
- (6) Appraised Production Calculation:
- (a) determine the number of marketable leaves on the 10 consecutive stalks in the sample as determined in 4 (b) above. The number is entered in item 16 of the Tobacco Appraisal Worksheet.

**B. Stand Reduction/Leaf Count Methods (Continued)**

- (b) multiply the number of marketable leaves on ten (10) stalks (item 16 of the Tobacco Appraisal Worksheet) times the Leaf Factor (item 17 of the Tobacco Appraisal Worksheet) to obtain the number of normal leaves (item 18 of the Tobacco Appraisal Worksheet).
- (c) determine the number of leaves expected to emerge on the 10 plants (item 19 of the Tobacco Appraisal Worksheet).
- (d) add the number of normal leaves (item 18 on the Tobacco Appraisal Worksheet) to the leaves expected to emerge (item 19 of the Tobacco Appraisal Worksheet) to obtain the number of marketable leaves on ten stalks (item 20 of the Tobacco Appraisal Worksheet). Total the marketable leaves for all samples entered in item 20 and enter the total in item 24.
- (e) divide the total of all samples of estimated marketable leaves (item 24 of the Tobacco Appraisal Worksheet) by the number of samples (item 25 of the Tobacco Appraisal Worksheet) to obtain the average leaves per sample (item 26 of the Tobacco Appraisal Worksheet).
- (f) divide the average leaves per sample (item 26 of the Tobacco Appraisal Worksheet) by 10 (item 27 of the Tobacco Appraisal Worksheet) to obtain the average number of marketable leaves per stalk (item 28 of the Tobacco Appraisal Worksheet). Transfer the entry from item 28 to item 29 of the Tobacco Appraisal Worksheet.
- (g) multiply the average number of normal leaves per plant (item 29 of the Tobacco Appraisal Worksheet) by the number of plants per acre in the original planting pattern (item 30 of the Tobacco Appraisal Worksheet). Then, multiply the percent potential (item 31 of the Tobacco Appraisal Worksheet) to obtain the total marketable leaves per acre (item 32 of the Tobacco Appraisal Worksheet).
- (h) divide the total leaves per acre (item 32 of the Tobacco Appraisal Worksheet) above by the number of leaves per pound for the type of tobacco (refer to chart in item 33 of [Exhibit 3, Tobacco Appraisal Worksheet](#) instructions) to obtain the pounds of potential per acre.

**C. Machine Harvesting Method**

- (1) Percent of Stand Procedure
  - (a) Follow the hand harvesting instructions in [Subparagraph 35B\(1\)](#), Selecting Representative Samples and (2), Stand Reduction Procedure.

**C. Machine Harvesting Method (Continued)**

(b) Count the number of plants remaining in the portion of row determined in [Subparagraph 35 B \(1\)\(c\)](#). Determine the average number of plants. The average of all samples is the percent stand for the field.

**(2) Leaf Count Procedure**

Use the hand harvesting instructions for appraisals in [Subparagraph 35B\(4\)](#).

**(3) Machine Harvested Plants**

- (a) Multiply the percent of stand by the number of plants per acre in the original stand. This is the remaining number of plants per acre.
- (b) Multiply the remaining number of plants per acre by 0.01 (1% of plants in sample). Count this number of plants in each sample row.
- (c) The adjuster may examine the plants in the marked row portion and visually determine those that will withstand machine harvesting. If the insured agrees with this visual determination, continue with (d) below and do not run the machine.
- (d) Make as many test runs with the machine as needed on each sampled row to secure an accurate appraisal.
- (e) After the test runs, count the number of plants per sample and divide by the number of samples to obtain the average number of plants per sample which can be machine harvested.
- (f) Divide the average number of plants which can be machine harvested by the number of plants in the sample before the test runs.

**Example:** Row width = 42 inches  
 Plant spacing = 24 inches  
 Plants per acre = 6,223 (from [Exhibit 6](#))  
 Row length for 100 plants = 200.0 feet (from [Exhibit 6](#))  
 Percent of stand = 95%  
 Plants remaining per acre = 5,912 plants per acre ( $6,223 \times .95$ )  
 Machine sample row = 59 plants ( $5,912 \times .01$ )  
 Plants in sample that can be machine harvested = 14  
 Percent of plants that can be machine harvested = 24% ( $14 \div 59 = .237$ , rounded to .24)  
 Plants per acre that can be machine harvested = 1,419 ( $5,912 \times .24$ )  
 1,419 is entered in item 30 of the Tobacco Appraisal Worksheet

**C. Machine Harvesting Method (Continued)**

- (g) Determine the normal leaves per acre by multiplying the number of harvestable plants per acre times the average number of normal leaves per plant. Divide the normal leaves per acre by the number of leaves per pound for the per acre appraisal.

**D. Cured Tobacco Hanging or Stored In a Barn Method**

Except where labeled or otherwise specified, all items in Subparagraph D apply to all tobacco types.

**(1) General Information**

- (a) This appraisal method is used when curing (cured) tobacco in the barn is damaged due to an insured COL and the tobacco is not marketable or the tobacco remains unsold.
- (b) Quality Adjustment
  - (i) **For Burley and Flue Cured tobacco types.** QA is only applicable for production that is delivered and graded at an AMS grading station. Therefore, for Burley or Flue Cured tobacco types not delivered and graded at an AMS grading station only the number of pounds of PTC will be determined using the following method. The only exception to this would be as stated in item 13 below.
  - (ii) **For tobacco types other than Burley and Flue Cured.** QA cannot apply if a record of the value and/or quality of the production cannot be obtained. Refer to [Paragraph 17\(6\)](#) and [Paragraph 17\(7\)](#) for additional information.
- (c) Record all appraisal determinations and calculations of the appraised production in the barn and other pertinent information on a Special Report. Attach any appropriate records or documents to the Special Report. Retain all of this information in the insured's file folder.
- (d) Make the appraisal determinations as stated in items (2)-(9) or if applicable, item (11)(a) below.

- (2) Remove and appraise sticks, racks, boxes, or other containers used for curing of representative tobacco selected randomly throughout the barn. Appraise at least the greater of 15 sticks per determined acre, or 1 percent of the total number of sticks in the barn or 10% of racks or boxes or other containers. Record the number of sticks racks, boxes or other containers appraised.

**D. Cured Tobacco Hanging or Stored In a Barn Method (Continued)**

- (3) Strip Tobacco leaves and divide into piles according to varying leaf size, appearance (possible differences in grade).
- (4) Identify and weigh each group (varying leaf size, appearance, possible grade difference) to the nearest tenth of pound and record the weights and identification of each group. Then weigh the entire stripped production collectively to determine the accuracy of individual weights of each group identified. The collective weight should equal the sum of individually identified groups. Maintain separation of pile by binding with string.
- (5) Divide the total weight of each identified pile (by varying leaf size, appearance, possible grade difference) by the total weight to determine the percentage of leaf (by weight) produced for each group identified. Record the percentages to the nearest 1/10 of 1 percent. Weigh the content of each rack, box, or other container to establish the weight per box, rack, or container.
- (6) Divide the total weight of the (as determined in item (5) above) production by the number of sticks, racks, boxes, or containers recorded in item (2) above and round to the nearest thousandth of a pound, to determine the average weight per stick, rack, box or other container in the barn(s) and record the results.
- (7) Determine the number of sticks, racks, boxes, or other containers in the barn by counting the number of rails in the barn and multiplying by the average number of sticks per rack, box, or other containers and record.
- (8) Multiply the average weight of stripped production per stick, rack, box, or other container determined in item (6) above, by the total number of sticks, racks, boxes, or other containers in the barn (item (7) above) to obtain the gross production.
- (9) Multiply the gross production by the percentage (nearest tenth percent) of each pile to determine pounds of each and record. This will serve as the policy-required record for pounds for QA purposes.
- (10) Quality for tobacco types other than Burley and Flue Cured.

If there is no quality record from a potential buyer, a quality record must be obtained from AMS. If samples are to be submitted to AMS, obtain and submit representative samples to AMS as specified in [Paragraph 17\(6\)\(d\)](#). Only the adjuster can obtain and submit samples to AMS; the insured is not allowed to do this. If the tobacco is baled, refer to item (11) below for instructions on obtaining samples to submit to AMS. The AMS Inspection and Classification Certificate (refer to [Exhibit 9](#)) will serve as the policy-required record showing the quality of the tobacco and a copy must be retained in the insured's file folder.



**D. Cured Tobacco Hanging or Stored In a Barn Method (Continued)**

(11) If the tobacco is baled:

- (a) gross weight. Determine the gross weight of the production by weighing 10% of the bales selected by the adjuster (the insured cannot select the bales to be weighed), averaging the weight of these bales, and then multiplying the average weight by the number of bales. If the bales were rejected by a buyer and the insured has records from the potential buyer showing the weights of the rejected bales, use those weights.
- (b) quality. Not applicable to Burley and Flue cured Types. For Burley and Flue cured types, refer to item (1)(b) above and item (13) below.
  - (i) If the bales were rejected and the insured does not have records from the buyer who rejected the tobacco showing the quality of the tobacco, AMS should grade these bales at the barn and/or farm storage.
  - (ii) If AMS does not grade the tobacco at the barn and/or farm storage, the adjuster can obtain and submit representative samples to AMS for grading (the insured is not allowed to obtain and submit samples for grade determinations).
  - (iii) Adjuster-obtained sample instructions.

The adjuster will select representative samples to be submitted for AMS grading as instructed in A or B below:

- (A) collect samples from 10% of every 50 bales of like quality by obtaining a sample from the bale. If the insured is willing to break the straps on a bale to obtain the sample, then take sample from this. If the insured is not willing to break the straps, the sample can be obtained from the bale by using a knife to obtain a plug approximately 4-6" long or by using a cordless drill with a metal hole saw drill bit attachment to obtain a plug of tobacco from each bale that comprise the one-pound sample from 10% of every 50 bales, or if the bale is loose, pull some of the tobacco from the bale. Follow the requirements for shipping samples to AMS found in 17(4)(e); or
- (B) select 10% of every 50 bales of like quality to deliver to a facility where an approved AMS grader is grading tobacco. The adjuster must document the identifying tag number of every bale selected and place this information in the insured's file.

**D. Cured Tobacco Hanging or Stored In a Barn Method (Continued)**

(12) Determining Value and Average Value of Harvested Tobacco for the Unit

(a) Value of Tobacco. Refer to [Paragraph 17 \(6\)\(c\)](#) for determining values of the harvested production when some harvested production has been sold and when none of the production has been sold. Records from the sold production of the same quality or written offers as stated in [Paragraph 17\(6\)\(c\)](#) will serve as the policy-required record for price for QA purposes.

(b) Average Value per Pound of Harvested Tobacco for the Unit. Add the gross pounds of the appraised cured harvested production left in the barn and the gross pounds of any farm-stored production to the gross pounds of any sold production for the unit.

Divide the sum of all harvested production values by the gross poundage to determine average value per pound (do not include ZMV production that has been destroyed in this calculation).

(c) If the average value per pound (due to an unavoidable insured COL) is less than 75 percent of the insured price election, the production is eligible for QA, provided all other quality provision requirements have been met.

(13) ZMV Production Determined in the Barn

When due to insurable causes, production is determined to be ZMV, the claim cannot be processed until the production is destroyed in accordance with the LAM procedure regarding destruction of ZMV production. LAM procedure for use of a certification form is not applicable to Burley and Flue Cured tobacco (refer to [Paragraph 16\(2\)\(f\)](#)). If the insured refuses to destroy such production, it will be included as PTC.

(a) For Burley and Flue Cured types of tobacco. Also, refer to item (1)(b) above.

(i) If due to insurable causes, the tobacco is damaged to the extent it cannot be baled or otherwise prepared for sale, such production will be considered to have ZMV.

(A) The gross production of appraised ZMV production in the barn that has been destroyed will be entered with a QAF of .000 in “Section II, C - Adjustments to Harvested Production” of the PW.

(B) ZMV-determined production must be documented in writing and pictorially, as specified in the LAM.

**D. Cured Tobacco Hanging or Stored In a Barn Method (Continued)**

- (C) All documentation must be retained in the insured's file folder. In this case, only, the adjuster's documentation will serve as the policy-required record showing ZMV.
- (ii) When it is questionable whether the tobacco is damaged to the extent that it cannot be baled or otherwise prepared for sale, the tobacco must be delivered and graded by an AMS grader at a location designated for AMS grading or it will be counted as PTC and no quality will apply.
- (b) For all types of tobacco other than Burley and Flue Cured
  - (i) If due to insurable causes, the tobacco is damaged to the extent it cannot be baled or otherwise prepared for sale, such production will be considered to have ZMV.
  - (ii) When only a portion of tobacco in the barn has a value, a sample of this tobacco must be submitted to AMS to determine the extent of damage as outlined in (a) above.
  - (iii) When it is questionable whether the tobacco is damaged to the extent that it has ZMV, submit a representative sample(s) of the tobacco to AMS.
  - (iv) Any tobacco determined to be ZMV:
    - (A) the gross production of appraised ZMV production in the barn that has been destroyed will be entered with zero value in Column "64a" of "Section II, C - Adjustments to Harvested Production" of the PW, and the entry in Column "64b" will be the insured's price election. Even if the production that has an average value equal or greater than 75% of the insured's price election is not adjusted, the production that has ZMV that has been destroyed will be adjusted to zero.
    - (B) ZMV-determined production must be documented in writing and pictorially, as specified in the LAM.
    - (C) all documentation must be retained in the insured's file folder. In this case, only, the adjuster's documentation will serve as the policy-required record showing the quality of the tobacco for QA purposes.

**E. Appraised Fire Damaged Mature Tobacco at the Curing Barn or Farm Storage**

- (1) Determine the pounds of production destroyed in the fire. This can be done based on average weights of the production in the RSCs and/or from the average weights of other representative sticks, racks, boxes, or other containers of undamaged tobacco in the barn or farm storage, and from the number of sticks of tobacco destroyed or damaged in the barn. The total sticks, racks, boxes, or other containers of tobacco in the barn or farm storage can be established from the records the insured has, based on labor records, etc.
- (2) If the number of harvested pounds of tobacco before the fire cannot be established through appraisals in the barn or farm storage and the insured's records of the number of sticks hung, racks, boxes, or other containers in the barn, or from appraisals of the RSCs; then the claim must be denied.
- (3) When production has been damaged by fire and the insured has a private fire insurance policy for the tobacco and fire coverage has not been excluded from the Federal crop insurance tobacco policy, refer to the LAM for instructions.
- (4) Retain all documentation of the appraisal, Special Report, and any pertinent records in the insured's file folder.

**36 Deviations and Modifications**

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- (1) Deviations in appraisal methods require FCIC written authorization (as described in the LAM) prior to implementation.
- (2) There are no pre-established modifications contained in this handbook. Refer to the LAM for additional information.

**37 General Information for Tobacco Appraisal Worksheet Entries and Completion Procedures**

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- (1) Include the AIP's name in the Tobacco Appraisal Worksheet title if not preprinted on the AIP's worksheet or when a worksheet entry is not provided.
- (2) Include the claim number on the Tobacco Appraisal Worksheet (when required by the AIP), when a worksheet entry is not provided.
- (3) Separate Tobacco Appraisal Worksheets are required for each unit appraised and for each field or subfield (applicable to preliminary and final claims). Refer to Exhibit 5 for sampling requirements.\*\*\*
- (4) Standard Tobacco Appraisal Worksheet items are numbered consecutively in Exhibit 3. An example appraisal worksheet is also provided to illustrate how to complete entries.
- (5) For all zero appraisals, refer to the LAM.

**38-50 (Reserved)**

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## PART 6: PRODUCTION WORKSHEET

### 51 General Information for Production Worksheet Entries and Completion Procedures

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- (1) The PW is a progressive form containing all notices of damage for all preliminary and final inspections on a unit.
- (2) If a PW has been prepared on a prior inspection, verify each entry and enter additional information as needed. If a change or correction is necessary, strike out all entries on the line and re-enter correct entries on a new line. The adjuster and insured should initial any line deletions.
- (3) Refer to the LAM for instructions regarding the following:
  - (a) acreage report errors.
  - (b) delayed notices and delayed claims.
  - (c) corrected claims or fire losses (double coverage) and cases involving uninsured COLs, unusual situations, controversial claims, concealment, or misrepresentation.
  - (d) claims involving a Certification Form (when all the acreage on the unit has been appraised to be put to another use, or other reasons described in the LAM). The procedure 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.
  - (e) “No Indemnity Due” claims (which must be verified by an appraisal or notification from the insured that the production exceeded the guarantee).
  - (f) late planting.
- (4) Refer to the PPSH for information on prevented planting.
- (5) The adjuster is responsible for determining if any of the insured’s requirements under the notice and claim provisions of the policy have not been met. If any have not, the adjuster should contact the AIP.
- (6) Instructions labeled “**Preliminary**” apply to preliminary inspections only. Instructions labeled “**Final**” apply to final inspections only. Instructions not labeled apply to ALL inspections.
- (7) The AIP may complete a separate PW for each type planted in the unit.
- (8) If the AIP determines the claim is to be denied, refer to the LAM for PW completion instructions.

## EXHIBITS

### Exhibit 1 Acronyms and Abbreviations

The following table provides the acronyms and abbreviations used in this handbook.

Approved Acronym/Abbreviation	Term
AIP	Approved Insurance Provider
AMS	Agricultural Marketing Service
APH	Actual Production History
BP	Basic Provisions
CAT	Catastrophic Risk Protection
CIH	Crop Insurance Handbook
CLU	Common Land Unit
CP	Crop Provisions
CPA	Contract Price Addendum
COL	Cause of Loss
DF	Discount Factor
DSSH	Document and Supplemental Standards Handbook
EOIP	End of Insurance Period
FAD	Final Agency Determination
FCIC	Federal Crop Insurance Corporation
FN	FSA Farm Number
FSA	Farm Service Agency
GSH	General Standards Handbook
GPS	Global Positioning System
LAM	Loss Adjustment Manual
MOEP	Maximum Over Established Price
NOL	Notice of Loss
OPI	Office of Primary Interest
PPSH	Prevented Planting Standards Handbook
PTC	Production to Count
PW	Production Worksheet
QA	Quality Adjustment
QAF	Quality Adjustment Factor
RMA	Risk Management Agency
RSC	Representative Sample Crop
SP	Special Provisions
SRA	Standard Reinsurance Agreement
TAGS	Tobacco Administration Grading Service
USDA	United States Department of Agriculture
UUF	Uninsured Unavoidable Fire
WA	Written Agreement
ZMV	Zero Market Value

## Exhibit 2 Definitions

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**Average value for appraised production:** The value of such production divided by the appraised pounds for the tobacco types.

**Average value for harvested production:** The value of such production divided by the harvested pounds for the tobacco type. Refer to [Paragraph 17](#) for clarification of the average value of appraised production.

**Contracted tobacco:** Tobacco produced under a valid production agreement and not excluded from that production agreement at any time during the insurance period.

**County:** Any county, parish, or other political subdivision of a state shown on an accepted application, including acreage of a field that extends into an adjoining county if the county boundary is not readily discernible.

**Disposed of:** Transfer of title of the tobacco by sale or transfer by any other means, or destruction of the harvested production.

**Harvest:** Cutting or priming and removing all insured tobacco from the unit.

**Hydroponic plants:** Seedlings grown in liquid nutrient solution.

**Marketable leaves:** Leaves of sufficient size and quality to be marketed. If tobacco is machine harvested, include only marketable leaves from plants that will withstand machine harvesting.

**Non-contracted tobacco:** Tobacco produced without a production agreement or that has been excluded from a production agreement.

**Planted acreage:** In addition to the definition of planted acreage in the BP, land in which tobacco seedling, including hydroponic plants, have been transplanted by hand or machine from the tobacco bed to the field.

**Pound:** Sixteen ounces avoirdupois.

**Priming:** A method of harvesting tobacco by which one or more leaves are removed from the stalk as they mature.

**Processor:** Any business enterprise which is regularly engaged in purchasing tobacco for processing or manufacturing of tobacco products. The enterprise must possess all required state and Federal licenses and permits for processing or manufacturing tobacco products. The entity must also own facilities, or have contractual access to such facilities, with enough equipment to accept and process the contracted tobacco within a reasonable amount of time after harvest as of the date the contract is issued.

**Production agreement:** 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 a married individual's insurance policy. This will only apply to a policy that meets the definition of "Individual-Married" contained in the GSH. For any policy that does not meet the definition of "Individual-Married," the name on the insurance policy must match the name on the production agreement.

**Stick:** 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:** 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:** Insurable tobacco as shown on the SP.



**Exhibit 3 Form Standards - Tobacco Appraisal Worksheet**

Verify and/or make the following entries for each Tobacco Appraisal Worksheet item number/ element. A completed Tobacco Appraisal Worksheet example is at the end of this exhibit. For general form standards and other general information, see [Subparagraph 2D](#) and [Paragraph 37](#).

Item No. / Element	Standard
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 <a href="#">Exhibit 6</a> 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 <a href="#">Paragraph 33</a> for row-width determination information.
14. Spacing	Spacing between plants within each row (in whole inches) in the original planting pattern. Refer to <a href="#">Exhibit 6</a> for instructions.

**Part I - Sample Determinations**

Item No. / Element	Standard
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 <a href="#">Subparagraph 35(B)(2)</a> .
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 <a href="#">Subparagraph 35B(4)</a> 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 <a href="#">Subparagraph 35 B(5)</a> to determine the appropriate leaf factor.  Refer to the Remarks section for documentation requirements.

**Exhibit 3 Form Standards - Tobacco Appraisal Worksheet (Continued)**

<b>Item No. / Element</b>	<b>Standard</b>
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.

**Part II - Appraisal Computations**

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 <a href="#">Exhibit 6</a> ) or 100.0% (below the heavy line in <a href="#">Exhibit 6</a> ) minus the average percent plant loss (item 22), divided by 100, and rounded to the nearest tenth. Entry cannot exceed 1.000. Refer to <a href="#">Subparagraph 35B(3)</a> 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"> <thead> <tr> <th><u>Type</u></th> <th><u>Leaves Per Pound</u></th> </tr> </thead> <tbody> <tr> <td>032 (Maryland), 041 (Cigar Filler), and 021, 022, 023 (Fire cured).....</td> <td>35</td> </tr> <tr> <td>035, 036, 037 (Dark Air).....</td> <td>35</td> </tr> <tr> <td>051 and 052 (Cigar Binder) .....</td> <td>50</td> </tr> <tr> <td>061 (Cigar Wrapper) .....</td> <td>135</td> </tr> <tr> <td>031 (Burley), 054, 055 (Cigar Binder), and 11A, 11B, 012, 013, 014 (Flue Cured) .....</td> <td>60</td> </tr> </tbody> </table>	<u>Type</u>	<u>Leaves Per Pound</u>	032 (Maryland), 041 (Cigar Filler), and 021, 022, 023 (Fire cured).....	35	035, 036, 037 (Dark Air).....	35	051 and 052 (Cigar Binder) .....	50	061 (Cigar Wrapper) .....	135	031 (Burley), 054, 055 (Cigar Binder), and 11A, 11B, 012, 013, 014 (Flue Cured) .....	60
<u>Type</u>	<u>Leaves Per Pound</u>												
032 (Maryland), 041 (Cigar Filler), and 021, 022, 023 (Fire cured).....	35												
035, 036, 037 (Dark Air).....	35												
051 and 052 (Cigar Binder) .....	50												
061 (Cigar Wrapper) .....	135												
031 (Burley), 054, 055 (Cigar Binder), and 11A, 11B, 012, 013, 014 (Flue Cured) .....	60												

**Exhibit 3 Form Standards - Tobacco Appraisal Worksheet (Continued)**

Item No. / Element	Standard
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>(1) Any remarks concerning any unusual circumstances or as required by the insurance provider.</p> <p>(2) Leaf Factor:</p> <p>(a) If the leaves are smaller than a normal leaf, document whether an insured or uninsured COL caused the leaves to be undersized.</p> <p>(b) For the Mature Tobacco Leaf Computation found in <a href="#">Subparagraph 35B(5)</a>, show the computation in the Remarks section of the <b>Tobacco Appraisal Worksheet</b> or on a Special Report. If a Special Report is used, attach it to the <b>Tobacco Appraisal Worksheet</b>.</p>

The following required entries are not illustrated on the **Tobacco Appraisal Worksheet** example below.

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 <b>Tobacco Appraisal Worksheet</b> 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 <b>Tobacco Appraisal Worksheet</b> (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.).

Exhibit 3 Form Standards - Tobacco Appraisal Worksheet (Continued)

<b>APPRAISAL WORKSHEET TOBACCO</b>	1. COMPANY <b>ANY COMPANY</b>					2. CLAIM NUMBER <b>XXXXXXXX</b>		
	3. INSURED'S NAME <b>I.M. INSURED</b>			4. POLICY NUMBER <b>XXXXXXXX</b>		5. FSA FARM NUMBER <b>145</b>	6. CROP YEAR <b>YYYY</b>	
	7. TYPE <b>022</b>	8. TOTAL NO. PLANTS PER ACRE <b>5,940</b>	9. UNIT NO. <b>0001-0001 BU</b>	10. FIELD NO. <b>B</b>	11. NO. OF ACRES <b>3.00</b>	12. LEAF STAGE <b>10</b>	13. ROW WIDTH <b>48</b>	14. SPACING <b>22</b>

**PART 1 DETERMINATIONS**

SAMPLE NO.	15. PERCENT PLANT LOSS	16. NUMBER OF LEAVES ON 10 STALKS	X	17. LEAF FACTOR	=	18. NUMBER OF NORMAL LEAVES	+	19. LEAVES TO EMERGE	=	20. NO. OF NORMAL LEAVES ON 10 STALKS					
1	48	23	X	2.1	=	48.3	+	38	=	86.3					
2	56	32	X	1.5	=	48.0	+	30	=	78.0					
3	55	38	X	1.8	=	68.4	+	32	=	100.4					
4	62	28	X	1.6	=	44.8	+	20	=	64.8					
5			X		=		+		=						
6			X		=		+		=						
7															
8															
9															
10															
11															
12															
21. TOTAL OF COL. 15		÷	22. SAMPLES	=	23. AVG % PLANT LOSS	24. TOTALS OF COL. 20		÷	25. TOTAL NO. SAMPLES CHECKED	=	26. AVG. LEAVES PER SAMPLE	÷	27.	=	28. AVG NO. NORMAL LEAVES PER STALK
221		÷	4	=	55.3	329.5		÷	4	=	82.4	÷	10	=	8.2

**PART II APPRAISAL COMPUTATIONS**

29. AVERAGE NO. NORMAL LEAVES PER STALK	X	30. PLANTS PER ACRE	X	31. % POTENTIAL	=	32. TOTAL NUMBER OF LEAVES PER ACRE	÷	33. NUMBER OF LEAVES PER POUND	=	34. APPRAISAL PER ACRE
8.2	X	5,940	X	.447	=	21,772	÷	35	=	622

**35. REMARKS**  
 38.0 (average length from 10 plants) x 20.8 (average width from 10 plants) = 790.4 ÷ 371 = 2.130 or 2.1 factor.  
 37.0 (average length from 10 plants) x 15.0 (average width from 10 plants) = 555.0 ÷ 371 = 1.495 or 1.5 factor.  
 35.0 (average length from 10 plants) x 19.1 (average width from 10 plants) = 668.5 ÷ 371 = 1.802 or 1.8 factor.  
 36.0 (average length from 10 plants) x 16.5 (average width from 10 plants) = 594.0 ÷ 371 = 1.601 or 1.6 factor.

This form example does not illustrate all required entry items (e.g., signature, dates, etc.)  
 Refer to the above Appraisal Worksheet instructions for required statements and signature entries.

**Exhibit 4 Form Standards - Production Worksheet**

Verify and/or make the following entries for each PW Item Number/Element. A completed PW example is at the end of this exhibit. For general form standards and other general information, see [Subparagraph 2D](#) and [Paragraph 51](#).

Item No. / Element	Standard
1. Crop/Code #	Flue Cured Tobacco..... 0229 Fire Cured Tobacco..... 0230 Burley Tobacco..... 0231 Maryland Tobacco..... 0232 Dark Air Tobacco ..... 0233 Cigar Filler Tobacco ..... 0234 Cigar Binder Tobacco..... 0235 Cigar Wrapper Tobacco..... 0236
2. Unit #	Unit number from the Summary of Coverage after it is verified to be correct.
3. Location Description	Land location that identifies the legal description, if available, and the location of the unit (e.g., section, township, and range; FSA Farm Numbers; FSA Common Land Units (CLU) and tract numbers; GPS identifications; or Grid identifications) as applicable for the crop.
4. Date(s) of Damage	<p>First three letters of the month(s) during which the determined insured damage occurred for the inspection and cause(s) of loss listed in item 5 below. If no entry in item 5 below, make no entry. For progressive damage, enter the month that identifies when the majority of the insured damage occurred. Include the specific date where applicable as in the case of hail damage (e.g., Aug 11). Enter additional dates of damage in the extra spaces, as needed. If more space is needed, document the additional dates of damage in the Narrative (or on a Special Report). Refer to the illustration in item 6 below.</p> <p>If there is no insurable COL, and a no indemnity due claim will be completed, make no entry.</p>
5. Cause(s) of Damage	<p>Name of the determined insured cause(s) of damage for this crop as listed in the LAM for the date of damage listed in item 4 above. If an insured cause(s) of damage is coded as "Other," explain in the Narrative. Enter additional causes of damage in the extra spaces, as needed. If more space is needed, document the additional determined insured causes of damage in the Narrative (or on a Special Report). Refer to the illustration in item 6 below.</p> <p>If it is evident that no indemnity is due, enter "No Indemnity Due" across the columns in Item 5 (refer to the LAM for more information on no indemnity due claims).</p>

**Exhibit 4 Form Standards - Production Worksheet (Continued)**

Item No. / Element	Standard												
6. Insured Cause %	<p><b>Preliminary:</b> Make no entry.</p> <p><b>Final:</b> Whole percent of damage for the insured cause of damage listed in item 5 above. Enter additional “Insured Cause %” in the extra spaces, as needed. If additional space is needed, enter the additional determined “Insured Cause %” in the Narrative (or on a Special Report). The total of all “Insured Cause %” including those entered in the Narrative must equal 100%.</p> <p>If there is no insurable COL, and a no indemnity due claim will be completed, make no entry.</p> <p>Example entries for items 4-6 and the Narrative, reflecting entries for multiple dates of damage, the corresponding insured causes of damage and insured cause percents:</p> <table border="0" data-bbox="527 829 1518 1018"> <tr> <td>4. Date(s) of Damage</td> <td>May</td> <td>JUN 30</td> <td>AUG</td> </tr> <tr> <td>5. Cause(s) of Damage</td> <td>Excess Hail</td> <td>Drought</td> <td>Moisture</td> </tr> <tr> <td>6. Insured Cause %</td> <td>40</td> <td>20</td> <td>30</td> </tr> </table> <p>Narrative: Additional date of damage – SEP 5; Cause of Damage – Freeze; Insured cause percent - 10%.</p>	4. Date(s) of Damage	May	JUN 30	AUG	5. Cause(s) of Damage	Excess Hail	Drought	Moisture	6. Insured Cause %	40	20	30
4. Date(s) of Damage	May	JUN 30	AUG										
5. Cause(s) of Damage	Excess Hail	Drought	Moisture										
6. Insured Cause %	40	20	30										
7. Company/Agency	Name of company and agency servicing the <b>policy</b> .												
8. Name of Insured	Name of the insured that identifies exactly the person (legal entity) to whom the policy is issued.												
9. Claim #	Claim number as assigned by the AIP.												
10. Policy #	Insured’s assigned policy number.												
11. Crop Year	Four-digit crop year, as defined in the policy, for which the claim is filed.												
12. Additional Units	<p><b>Preliminary:</b> Make no entry.</p> <p><b>Final:</b> Unit number(s) for all non-loss units for the crop at the time of final inspection. A non-loss unit is any unit for which a PW has not been completed. Additional non-loss units may be entered on a single PW.</p> <p>If more spaces are needed for non-loss units, enter the unit numbers, identified as “Non-Loss Units,” in the Narrative or on an attached Special Report.</p>												
13. Est. Prod. Per Acre	<p><b>Preliminary:</b> Make no entry.</p> <p><b>Final:</b> Estimated yield per acre, in whole pounds, of all non-loss units for the crop at the time of final inspection.</p>												

Exhibit 4 Form Standards - Production Worksheet (Continued)

Item No./Element	Standard
<p>14. Date(s) Notice of Loss</p>	<p><b>Preliminary:</b></p> <ul style="list-style-type: none"> <li>(1) Date the first or second notice of damage or loss was given for the unit in item 2, in the 1st or 2nd space, as applicable. Enter the complete date (MM/DD/YYYY) for each notice.</li> <li>(2) A notice of damage or loss for a third preliminary inspection (if needed) requires an additional set of PWs. Enter the date of notice for a third preliminary inspection in the 1st space of item 14 on the second set of PWs.</li> <li>(3) Reserve the “Final” space on the first page of the first set of PWs for the date of notice for the final inspection.</li> <li>(4) If the inspection is initiated by the AIP, enter “Company Insp.” instead of the date.</li> <li>(5) If the notice does not require an inspection, document as directed in the Narrative instructions.</li> </ul> <p><b>Final:</b> Transfer the last date (in the 1st or 2nd space from the first or second set of PWs) to the “FINAL” space on the first page of the first set of PWs if a final inspection should be made as a result of the notice. Always enter the complete date of notice (MM/DD/YYYY) for the “FINAL” inspection in the final space on the first set of PWs. For a delayed NOL or delayed claim, refer to the LAM.</p>
<p>15. Companion Policy(s)</p>	<ul style="list-style-type: none"> <li>(1) If no other person has a share in the unit (insured has 100 percent share), make no entry.</li> <li>(2) In all cases where the insured has less than a 100 percent share of a loss-affected unit, ask the insured if the other person sharing in the unit has a multiple-peril crop insurance <b>policy</b> (i.e., not crop-hail, fire, etc.). If the other person does not, enter “NONE.” <ul style="list-style-type: none"> <li>(a) If the other person has a multiple-peril crop insurance <b>policy</b> and it can be determined that the same AIP services it, enter the <b>policy</b> number. Handle these companion <b>policies</b> according to AIP instructions.</li> <li>(b) If the other person has a multiple-peril crop insurance <b>policy</b> and a different AIP or agent services it, enter the name of the AIP and/or agent (and <b>policy</b> number) if known.</li> <li>(c) If unable to verify the existence of a companion policy, enter “Unknown” and contact the AIP for further instructions.</li> </ul> </li> <li>(3) Refer to the LAM for further information regarding companion <b>policies</b>.</li> </ul>

**Section I - Determined Acreage Appraised, Production and Adjustments**

Make separate line entries for varying:

- (1) rate classes, types, classes, sub-classes, intended uses, irrigated practices, cropping practices, or organic practices, as applicable;
- (2) APH yields;
- (3) appraisals;
- (4) stages or intended use(s) of acreage;
- (5) shares (e.g., 50 percent and 75 percent shares on the same unit); or
- (6) appraisals for damage due to hail or fire if Hail and Fire Exclusion is in effect.

<b>Item No./Element</b>	<b>Standard</b>
16. Field ID	The field or subfield identification symbol from a sketch map or an aerial photo. Refer to the Narrative.
17. Multi-Crop Code	The applicable two-digit code for first crop and second crop. Refer to the LAM for instructions regarding entry of first crop and second crop codes.
18. Reported Acres	In the event of over-reported acres, handle in accordance with the individual AIP's instructions. In the event of under-reported acres, enter the reported acres to hundredths for the field or sub field. If there are no under-reported acres make no entry.
19. Determined Acres	<p>Refer to the LAM for definition of acceptable determined acres used herein. Enter the determined acres to hundredths for the field or subfield for which consent is given for other use and/or:</p> <ul style="list-style-type: none"> <li>(1) Put to other use without consent;</li> <li>(2) Abandoned;</li> <li>(3) Damaged by uninsured causes;</li> <li>(4) For which the insured failed to provide acceptable records of production; or</li> <li>(5) When the stalks and stubble have been destroyed without consent.</li> </ul> <p>Refer to the LAM for procedures regarding when estimated acres are allowed and documentation requirements.</p>



**Exhibit 4 Form Standards - Production Worksheet (Continued)**

Item No./Element	Description
19. Determined Acres (continued)	<p>Determined acres to hundredths. Acreage breakdowns within a unit or field may be estimated (refer to LAM) if a determination is impractical. Refer to <a href="#">Exhibit 7</a> for Tractor Row Acreage Correction Factors.</p> <p>Account for all acreage in the unit.</p>
20. Interest or Share	<p>Insured's interest in the crop to three decimal places as determined at the time of inspection. If shares vary on the same unit, use separate line entries.</p>
21. Risk	<p>Three-digit code for the correct "Rate" specified on the actuarial document maps. If a "Rate" or "High-Risk Area" is not specified on the actuarial document maps, make no entry. Verify with the Summary of Coverage and if the "Rate" is found to be incorrect, revise according to the AIP's instructions. Refer to the LAM.</p> <p>Unrated land is uninsurable without a WA.</p>
22. Type	<p>Three-digit code, entered exactly as specified on the actuarial documents for the type grown by the insured. If "No Type Specified" is shown in the actuarial documents, enter the appropriate three-digit code from the actuarial documents (e.g., 997). If a type is not specified on the actuarial documents, make no entry.</p>
23. Class	<p>Three-digit code, entered exactly as specified on the actuarial documents for the class grown by the insured. If "No Class Specified" is shown in the actuarial documents, enter the appropriate three-digit code from the actuarial documents (e.g., 997). If a class is not specified on the actuarial documents, make no entry.</p>
24. Sub-Class	<p>Three-digit code, entered exactly as specified on the actuarial documents for the sub-class grown by the insured. If "No Sub-Class Specified" is shown in the actuarial documents, enter the appropriate three-digit code from the actuarial documents (e.g., 997). If a sub-class is not specified on the actuarial documents, make no entry.</p>
25. Intended Use	<p>Three-digit code, entered exactly as specified on the actuarial documents for the intended use of the crop grown by the insured. If "No Intended Use Specified" is shown in the actuarial documents, enter the appropriate three-digit code from the actuarial documents (e.g., 997). If an intended use is not specified on the actuarial documents, make no entry.</p>
26. Irr. Practice	<p>Three-digit code, entered exactly as specified on the actuarial documents for the irrigated practice carried out by the insured. If "No Irrigated Practice Specified" is shown in the actuarial documents, enter the appropriate three-digit code from the actuarial documents (e.g., 997). If an irrigated practice is not specified on the actuarial documents, make no entry.</p>

**Exhibit 4 Form Standards - Production Worksheet (Continued)**

Item No./Element	Standard														
27. Cropping Practice	Three-digit code, entered exactly as specified on the actuarial documents for the cropping practice (or practice) carried out by the insured. If “No Cropping Practice Specified” or “No Practice Specified” is shown in the actuarial documents, enter the appropriate three-digit code from the actuarial documents (e.g., 997). If a cropping practice is not specified on the actuarial documents, make no entry.														
28. Organic Practice	Three-digit code, entered exactly as specified on the actuarial documents for the organic practice carried out by the insured. If “No Organic Practice Specified” is shown in the actuarial documents, enter the appropriate three-digit code from the actuarial documents (e.g., 997). If an organic practice is not specified on the actuarial documents, make no entry.														
29. Stage	<p><b>Preliminary:</b> Make no entry.</p> <p><b>Final:</b> Stage abbreviation as shown below.</p> <table border="0" data-bbox="488 814 1484 1549"> <thead> <tr> <th data-bbox="488 814 565 846"><u>Stage</u></th> <th data-bbox="1036 814 1192 846"><u>Explanation</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="488 846 764 884">“P” .....</td> <td data-bbox="776 846 1484 1041">Acreage abandoned without consent, put to other use without consent, damaged solely by uninsured causes, for which the insured failed to provide acceptable production records to the AIP, or when the stalks and stubble have been destroyed without consent.</td> </tr> <tr> <td data-bbox="488 1083 764 1121">“H” .....</td> <td data-bbox="776 1083 915 1121">Harvested.</td> </tr> <tr> <td data-bbox="488 1163 764 1201">“UH” .....</td> <td data-bbox="776 1163 1377 1201">Unharvested or put to other use with consent.</td> </tr> <tr> <td data-bbox="488 1243 764 1281">“TZ” .....</td> <td data-bbox="776 1243 1458 1314">UUF/Third Party Damage – Zero production on same acreage.</td> </tr> <tr> <td data-bbox="488 1356 764 1394">“TA” .....</td> <td data-bbox="776 1356 1458 1428">UUF/ Third Party Damage – Appraised production on same acreage.</td> </tr> <tr> <td data-bbox="488 1470 764 1507">“TH” .....</td> <td data-bbox="776 1470 1458 1541">UUF/Third Party Damage – Harvested production on same acreage.</td> </tr> </tbody> </table> <p><b>Prevented Planting:</b> Refer to the PPSH for proper codes for any eligible prevented planting acreage.</p> <p><b>Gleaned Acreage:</b> Refer to the LAM for information on gleaning.</p>	<u>Stage</u>	<u>Explanation</u>	“P” .....	Acreage abandoned without consent, put to other use without consent, damaged solely by uninsured causes, for which the insured failed to provide acceptable production records to the AIP, or when the stalks and stubble have been destroyed without consent.	“H” .....	Harvested.	“UH” .....	Unharvested or put to other use with consent.	“TZ” .....	UUF/Third Party Damage – Zero production on same acreage.	“TA” .....	UUF/ Third Party Damage – Appraised production on same acreage.	“TH” .....	UUF/Third Party Damage – Harvested production on same acreage.
<u>Stage</u>	<u>Explanation</u>														
“P” .....	Acreage abandoned without consent, put to other use without consent, damaged solely by uninsured causes, for which the insured failed to provide acceptable production records to the AIP, or when the stalks and stubble have been destroyed without consent.														
“H” .....	Harvested.														
“UH” .....	Unharvested or put to other use with consent.														
“TZ” .....	UUF/Third Party Damage – Zero production on same acreage.														
“TA” .....	UUF/ Third Party Damage – Appraised production on same acreage.														
“TH” .....	UUF/Third Party Damage – Harvested production on same acreage.														



**Exhibit 4 Form Standards - Production Worksheet (Continued)**

Item No./Element	Standard
<p>37. Uninsured Cause</p>	<p>Result of per acre appraisal for uninsured causes (taken from <b>Tobacco Appraisal Worksheet</b> or other documentation) multiplied by Column 19, rounded to whole pounds. Refer to the LAM for information on how to determine uninsured cause appraisals. If no uninsured causes, make no entry.</p> <p>(1) Hail and Fire Exclusion not in effect.</p> <p>(a) Enter the result of multiplying Column 19 entry by not less than the insured’s production guarantee per acre, in whole pounds, for the line, (calculated by multiplying the elected coverage level percentage times the approved APH yield per acre shown on the APH form), for any “P” stage acreage.</p> <p>(b) On preliminary inspections, advise the insured to keep the harvested production from any acreage damaged solely by uninsured causes separate from other production. Refer to the LAM for information on how to determine uninsured cause appraisals.</p> <p>(c) For acreage that is damaged partly by uninsured causes, enter the result of multiplying the appraised uninsured loss of production per acre, by Column 19 entry, rounded to whole pounds, for any such acreage.</p> <p>(2) When there is late-planted acreage, the applicable per-acre production guarantee for such acreage is the production guarantee per acre that has been reduced for late-planted acreage, multiplied by Column 19 entry.</p> <p>(3) Refer to the LAM when a Hail and Fire Exclusion is in effect and damage is from hail or fire.</p> <p>(4) Enter the result of adding uninsured cause appraisals to Hail and Fire Exclusion appraisals.</p> <p>(5) Chemical residue in tobacco that exceeds FDA established limits will be considered an “uninsured cause.”</p> <p>(6) For fire losses, if the insured also has other fire insurance (double coverage), refer to the LAM.</p>

**Exhibit 4 Form Standards - Production Worksheet (Continued)**

Item No./Element	Standard
38. Total to Count	Result of adding item 36 and item 37.
39. Total	<p><b>Preliminary:</b> Make no entry.</p> <p><b>Final:</b> Total determined acres (Column 19), to hundredths.</p>
40. Quality	<p>Check the applicable qualifying QA condition(s) affecting the unit's production (refer to table below). Check all qualifying conditions that apply to the unit's appraised and harvested production (refer to the CP and SP).</p> <p><b>Qualifying QA Condition:</b></p> <p style="padding-left: 40px;">Other</p> <p style="padding-left: 40px;">None</p> <p>(1) If "Other" is checked, document in the Narrative (or on a Special Report) the cause of the QA condition applicable to the unit's production and the result the QA condition has on the tobacco (e.g., extreme drought during period the tobacco was maturing caused the tobacco to cure out green).</p> <p>(2) Check "None" if QA does not apply to the unit's production.</p>
41. Mycotoxins exceed FDA, State, or other health organization maximum limits. Check "Yes:"	Make no entry.
42. Totals	Total of entries in columns 34, 36, 37, and 38, to whole pounds. If a column has no entries, make no entry.

**Narrative Instructions**

If more space is needed, document on a Special Report, and enter "See Special Report." Attach the Special Report to the PW.

1. If no acreage is released on the unit, enter "No acreage released," adjuster's initials, and date.
2. If notice of damage was given and No Inspection is required, enter "No Inspection," the unit number(s), date, and adjuster's initials (do not enter unit numbers for which notice has not been given). The insured's signature is not required.
3. Explain any uninsured causes, unusual, or controversial cases.
4. If there is an appraisal in section I, column 37 for uninsured causes due to a hail/fire exclusion, show the original hail/fire liability per acre and the hail/fire indemnity per acre.
5. Document the actual appraisal date if an appraisal was performed prior to the adjuster's signature date on the **Tobacco Appraisal Worksheet**, and the date of the appraisal is not recorded on the **Tobacco Appraisal Worksheet**.
6. State that there is "No other fire insurance" when fire damages or destroys the insured crop and it is determined that the insured has no other fire insurance. Also refer to the LAM.
7. Explain any errors found on the Summary of Coverage.
8. Explain any commingled production. Refer to the LAM.
9. Explain any entry for "Production Not to Count" in Section II, column 62 and/or any production not included in Section II, column 56 or column 49-52 entries (e.g., harvested production from uninsured acreage that can be identified separately from the insured acreage in the unit).
10. Explain a "No" checked in item 44.
11. For production that qualifies for QA (supporting documentation should be included in the insured's claim file):
  - (a) explain any ".000" QAF entered in Section II, Column 65.
  - (b) explain any deficiencies, substances, or conditions that are allowed for QA, as well as any which were not allowed.
  - (c) for all types other than Burley or Flue Cured, document the insured's price election and the average value for the tobacco when it is less than 75 percent of the insured's price election that is used to determine the QAF for mature harvested production.
  - (d) document all calculations used in determining QAFs.

Refer to the LAM for additional documentation requirements.

**Narrative Instructions (Continued)**

12. Attach a sketch map or aerial photo to identify the total unit:
- (a) if consent is or has been given to put part of the unit to another use;
  - (b) if uninsured causes are present; or
  - (c) for unusual or controversial cases.

Indicate on the aerial photo or sketch map, the disposition of acreage destroyed or put to other use with or without consent.

13. Explain any difference between date of inspection and signature dates. For an ABSENTEE insured, enter the date of the inspection AND the date of mailing the PW for signature.
14. When any other adjuster or supervisor accompanied the adjuster on the inspection, enter the code number of the other adjuster or supervisor and date of inspection.
15. Explain the reason for a “No Indemnity Due” claim. “No Indemnity Due” claims are to be distributed in accordance with the AIP’s instructions.
16. Explain any delayed notices or delayed claims as instructed in the LAM.
17. Document any authorized estimated acres, as instructed in the LAM, shown in Section I, column 19.
18. Document the method and calculation used to determine acres for the unit. Refer to the LAM.
19. Specify the type of insects or disease when the insured cause of damage or loss is listed as insects or disease. List the control measures used and explain why they did not work.
20. Identify any tobacco which has no market value and is destroyed. Explain the reason for no market value and the method of destruction. Also, refer to the LAM for additional documentation requirements.
21. Document the name and address of the charitable organization when gleaned acreage is applicable. Refer to the LAM for more information on gleaning.
22. Document any other pertinent information, including any data to support any factors used to calculate the production.

**Section II - Determined Harvested Production**

**General Information:**

- (1) Account for all harvested production (for all entities sharing in the crop). Inspect all barns to account for all harvested production when using the Cured Tobacco Hanging in the Barn appraisal method.
- (2) If additional lines are necessary, the data may be entered on a continuation sheet. Use separate lines for:
  - (a) different first handlers (buyers or warehouses). The insured must have maintained satisfactory records of all production sold. Verify any warehouse or buyer records.
  - (b) varying shares; e.g., 50 percent and 75 percent shares on the same unit.
  - (c) production having ZMV that has been destroyed (including production destroyed by fire after harvest).
  - (d) production not sold.



**Exhibit 4 Form Standards - Production Worksheet (Continued)**

Item No./Element	Standard
<p>43. Date Harvest Completed: (Used to determine if there is a delayed notice or a delayed claim. Refer to the LAM.)</p>	<p><b>Preliminary:</b> Make no entry.</p> <p><b>Final:</b></p> <p>(1) Enter the earlier of the date that one of the following events occurred:</p> <ul style="list-style-type: none"> <li>(a) total destruction of the tobacco on the unit;</li> <li>(b) removal of the tobacco from the field where grown except for curing, grading, packing, or immediate delivery to the tobacco warehouse; or</li> <li>(c) the calendar date for the end of the insurance period for the type.</li> </ul> <p>(2) If at the time of final inspection (if prior to the end of the insurance period) there is any unharvested insured acreage remaining on the unit that the insured does not intend to harvest, enter "Incomplete."</p> <p>(3) If at the time of final inspection (if prior to the end of the insurance period), none of the insured acreage on the unit has been harvested, and the insured does not intend to harvest such acreage, enter "No Harvest."</p> <p>(4) If the case involves a Certification Form, enter the date from the Certification form when the entire unit was put to another use, etc. Refer to the LAM.</p>
<p>44. Damage similar to other farms in the area?</p>	<p><b>Preliminary:</b> Make no entry.</p> <p><b>Final:</b> Check "Yes" or "No." Check "Yes" if the amount and cause of damage due to insurable causes is similar to the experience of other farms in the area. If "No" is checked, explain in the Narrative.</p>
<p>45. Assignment of Indemnity</p>	<p>Check "Yes" only if an assignment of indemnity is in effect for the crop year; otherwise, check "No." Refer to the LAM.</p>
<p>46. Transfer of Right to Indemnity</p>	<p>Check "Yes" only if a transfer of right to indemnity is in effect for the unit for the crop year; otherwise, check "No." Refer to the LAM.</p>
<p>47a. Share</p>	<p>Record only varying shares on same unit to three decimal places.</p>
<p>47b. Field ID</p>	<p>(1) If only one practice and/or type of harvested production is listed in Section I, make no entry.</p> <p>(2) If more than one practice and/or type of harvested production is listed in Section I, and a separate approved APH yield exists, indicate for each practice/type the corresponding Field ID (from Section I, column 16).</p>

**Exhibit 4 Form Standards - Production Worksheet (Continued)**

Item No./Element	Standard
48. Multi-Crop Code	The applicable two-digit code for first crop and second crop. Refer to the LAM for instructions regarding entry of first crop and second crop codes.
49.-52. Strike through titles and enter "Disposition"	<p>Enter the disposition of the tobacco as follows:</p> <p><b>Preliminary:</b> "Destroyed by fire" for any tobacco burned in the curing barn or pack barn; otherwise, make no entry.</p> <p><b>Final:</b></p> <ol style="list-style-type: none"> <li>(1) Name of auction warehouse for production sold through auction warehouse.</li> <li>(2) Name of buyer for production sold to other than auction warehouse.</li> <li>(3) "Not sold." Document, in the Narrative, the location of any production which is not sold.</li> <li>(4) "Destroyed by fire" for any tobacco burned in the curing barn or pack barn (refer to the LAM).</li> <li>(5) "ZMV Tobacco Destroyed" when the adjuster has physically witnessed satisfactory destruction of tobacco that has ZMV due to insured causes.</li> <li>(6) "ZMV Tob. Not Destroyed" for any tobacco that has ZMV and that has not been destroyed.</li> </ol>
53. Net Cubic Feet	Make no entry.
54. Conversion Factor	Make no entry.
55. Gross Prod.	<p>Account for all harvested production, in whole pounds, for the disposition shown in items 49-52 including harvested production that is appraised in the barn. Explain in the Narrative how "Not Sold" production was determined.</p> <ol style="list-style-type: none"> <li>(1) Determining PTC for tobacco that has no market value: <p>Any tobacco eligible for QA that has ZMV due to damage by insured causes must be destroyed and will not be included as PTC. However, if the insured refuses to destroy the tobacco, include such tobacco as PTC and value at the insured's price election. Refer to <a href="#">Paragraph 17(9)</a> and 64a below for further instructions and information.</p> </li> <li>(2) For harvested, fire-damaged production, refer to <a href="#">Subparagraph 35E</a> and item 64a below.</li> </ol>

**Exhibit 4 Form Standards - Production Worksheet (Continued)**

Item No./Element	Standard
56. Bu., Ton, Lbs., Cwt.	Circle "Lbs." in column heading. Enter the gross production from Column 55 in whole pounds.
57.-60B.	Make no entry.
61. Adjusted Production	Transfer the entry from column 56 in whole pounds.
62. Prod. Not to Count	<p>Production not to count, in whole pounds, when acceptable records identifying such production are available, from harvested acreage which has been assessed an appraisal of not less than the production guarantee per acre, from other sources (e.g., uninsured acreage), or where stalks were destroyed without consent and there is also harvested production from the same acreage on which stalks were destroyed without consent.</p> <p>This entry must never exceed production shown on the same line. Explain any production not to count in the Narrative.</p>
63. Production Pre-QA	Result of subtracting column 62 from column 61. If no entry in column 62, transfer entry from column 61.
64a. Value	<p><b>Preliminary:</b> For All Types of Tobacco: Make no entry.</p> <p><b>Final:</b></p> <p>(1) For Burley and Flue Cured Tobacco Types: Make no entry.</p> <p>(2) For All Tobacco Types Other Than Burley and Flue Cured:</p> <p>Average value per pound to the nearest cent.</p> <p>(a) Sum the total value of harvested production including tobacco appraised in the barn (exclude tobacco with ZMV due to insured COL that insured has satisfactorily destroyed; refer to (d) below) that:</p> <p>(i) is sold and not sold; and</p> <p>(ii) has ZMV and that has not been destroyed (or satisfactorily destroyed) and has been valued at the insured's price election.</p> <p><b>Note:</b> If the value received is unreasonable, determine a reasonable value. Refer to <a href="#">Paragraph 16</a> and <a href="#">Paragraph 17</a> for instructions.</p> <p>(b) Determine the average value per pound by dividing the result of item "2(a)(i)" above, by the total pounds harvested for the unit (exclude pounds of tobacco destroyed by fire or ZMV tobacco that has been satisfactorily destroyed), rounded to the nearest whole cent.</p>

**Exhibit 4 Form Standards - Production Worksheet (Continued)**

Item No./Element	Standard
64a. Value (Continued)	<p>(c) After the average value per pound has been determined, the value will be the same for each line entry except for tobacco destroyed by fire or ZMV tobacco that has been satisfactorily destroyed, as witnessed by the adjuster. Document the average value calculation in the Narrative.</p> <p>(d) If the average value per pound is equal to or greater than 75 percent of the insured’s price election, make no entry.</p> <p>(3) ZMV Tobacco (Due to Insured COL) That Has Been Satisfactorily Destroyed:</p> <p>Enter “0.00” to represent ZMV. Refer to <a href="#">Paragraph 16</a> and <a href="#">Paragraph 17(9)</a> for additional information. Also, see <a href="#">Subparagraph 35D(13)</a>.</p> <p>Explain in the Narrative the basis for value of production “Not Sold” or basis of determination for production having no market value; (i.e., ZMV).</p> <p>(4) For All Tobacco Types. Refer to the LAM for instructions for determining total value, before and after the fire, when there is double fire coverage; i.e., fire coverage under the FCIC Tobacco crop insurance program and fire coverage under a private fire insurance policy.</p>
64b. MKT Price	<p>(1) For Burley and Flue Cured Tobacco Types: Make no entry.</p> <p>(2) For All Tobacco Types Other Than Burley and Flue Cured: Strike through the title and enter “Price Election.” Enter the insured’s price election for the type of tobacco.</p>
65. Quality Factor	<p>The insured must give the AIP the opportunity to inspect any production prior to the insured disposing of it. If the insured failed to notify and provide the AIP the opportunity to inspect such tobacco, document on a Special Report that the insured had sold, contracted, or otherwise disposed of the tobacco prior to inspection. Such production cannot be quality adjusted. Refer to <a href="#">Paragraph 17</a> for further information.</p> <p>(1) For All Tobacco Types Other Than Burley and Flue Cured:</p> <p>Enter the 3-digit QAF determined by dividing 64a by 64b.</p> <p>(2) For Burley and Flue Cured Tobacco:</p> <p>1.000 minus the applicable DF for the AMS assigned grade obtained from the SP or calculated from the price sold. See <a href="#">Paragraph 16(3)(e)</a>.</p>

**Exhibit 4 Form Standards - Production Worksheet (Continued)**

Item No./Element	Standard
65. Quality Factor (Continued)	No QA will be made on any production which has been assigned a grade that does not appear on the DF Chart in the SP. Refer to <a href="#">Subparagraph 35D(13)</a> for ZMV tobacco in the barn.
66. Production to Count	(1) If QA does not apply, transfer entry from column 63.  (2) If QA does apply, multiply column 63 by column 65, rounding to the nearest whole pound.
67. Total of Column 63	Total of column 63. If no entry in column 63, make no entry.

For items 68-72. When separate line entries are made for varying share, stages, APH yields, projected price or harvest price, types, etc., within the unit, and totals need to be kept separate for calculating indemnities, make no entry and follow the AIP's instructions; otherwise, make the following entries.

68. Section II Total:	<b>Preliminary:</b> Make no entry.  <b>Final:</b> Total of column 66.
69. Section I Total	<b>Preliminary:</b> Make no entry.  <b>Final:</b> Enter figure from Section I, column 38 total.
70. Unit Total	<b>Preliminary:</b> Make no entry.  <b>Final:</b> Total of Column 68 and 69.
71. Allocated Prod	Refer to the LAM for instructions for determining allocated production. Enter the total production, rounded to whole pounds, allocated to this unit that is included in Sections I or II of the PW. Document how allocated production was determined and record supporting calculations in the Narrative or on a Special Report.
72. Total APH Prod.	Result of subtracting the total of column 37 (item 42 "Totals") and item 71 (Allocated Prod.) from item 70 (Unit Total). If no entries in Column 37 and item 71, transfer the entry in item 70. Make no entry when separate APH yields are maintained by type, practice, etc., within the unit.
73. 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 PW with the insured (or insured's authorized representative), particularly explaining codes, etc., that may not be readily understood.  Final indemnity inspections should be signed on bottom line.
74. Adjuster's Signature, Code #, and Date	Signature of adjuster, code number, and date signed after the insured (or insured's authorized representative) has signed. For an absentee insured, enter adjuster's code number only. The signature and date will be entered after the absentee has signed and returned the PW.  Final indemnity inspections should be signed on bottom line.
75. Page	<b>Preliminary:</b> Page numbers - "1," "2," etc., at the time of inspection.  <b>Final:</b> Page numbers - (Example: Page 1 of 1, Page 1 of 2, Page 2 of 2, etc.).

**Exhibit 4 Form Standards - Production Worksheet (Continued)**

1. Crop/Code # FLUE CURED TOBACCO 0229	2. Unit # 0001-0001 BU	3. Location Description FN 145	7. Company Agency ANY COMPANY ANY AGENCY	8. Name of Insured I.M. INSURED
4. Date(s) of Damage JUN JUL 10	5. Cause(s) of Damage DROUGHT HAIL	6. Insured Cause % 85 15	9. Claim # XXXXXXXXXX	11. Crop Year YYYY
12. Additional Units 0002-0000BU	13. Est. Prod. Per Acre 1500	10. Policy # XXXXXXXXXX	14. Date(s) Notice of Loss 1st MM/DD/YYYY 2nd MM/DD/YYYY Final MM/DD/YYYY	15. Companion Policy(s)

**SECTION I - DETERMINED ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS**

A. ACTUARIAL															B. POTENTIAL YIELD								
16. Field ID	17. Multi-Crop Code	18. Reported Acres	19. Determined Acres	20. Interest or Share	21. Risk	22. Type	23. Class	24. Sub-Class	25. Intended Use	26. Irr Practice	27. Cropping Practice	28. Organic Practice	29. Stage	30. Use of Acreage	31. Appraised Potential	32a. Moisture % Factor	32b. Shell %, Factor, or Value	33. Production Pre QA	34. Quality Factor	35. Production Post QA	36. Uninsured Causes	37. Total to Count	
A	NS		5.00	1.000		012					997		P	PLOWED WOC								10,685	10,685
B	WI		3.00	1.000		012					997		UH	TO SOYBEANS	622			1,866		1,866			1,866
C	NS		20.00	1.000		012					997		H	H									
39. TOTAL			28.00	40. Quality: TW <input type="checkbox"/> KD <input type="checkbox"/> Aflatoxin <input type="checkbox"/> Vomitoxin <input type="checkbox"/> Fumonisin <input type="checkbox"/> Garlicky <input type="checkbox"/> Dark Roast <input type="checkbox"/> Sclerotinia <input type="checkbox"/> Ergoty <input type="checkbox"/> CoFo <input type="checkbox"/> Other <input checked="" type="checkbox"/> None <input type="checkbox"/>										42. TOTALS		1,866		1,866	10,685	12,551			

**NARRATIVE** (If more space is needed, attach a Special Report) Field A plowed without consent. See attached aerial photos. Acres determined by adjuster with GPS. See special report for stalk inspection. Attached AMS grade certificates for assigned grades. Contract is for 35,000 lbs. Harvested 31,000 lbs. All production was graded and sold.  
 1st line: AMS grade is B4KLV - .400 chart DF. Production sold for \$.50/lb. Established Price \$.90. 1.000 - (\$.50/\$.90) = .444 DF. .400 DF less than .444. 1.000 - .400 = .600 QAF  
 2nd line: AMS grade is B5KV - .600 chart DF. Production sold for \$.38/lb. Established Price \$.90. 1.000 - (\$.38/\$.90) = .578 DF. .578 DF less than .600. 1.000 - .578 = .422 QAF  
 3rd line: 1000 lbs. of tobacco graded NO-G due to blue mold. Adjuster physically witnessed destruction. QAF = .000

**SECTION II - DETERMINED HARVESTED PRODUCTION**

43. Date Harvest Completed MM/DD/YYYY					44. Damage similar to other farms in the area? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>					45. Assignment of Indemnity Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>					46. Transfer of Right to Indemnity? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>										
A. MEASUREMENTS					B. GROSS PRODUCTION					C. ADJUSTMENTS TO HARVESTED PRODUCTION															
47a. Share Field ID	47b. Multi-Crop Code	48. Length or Diameter	49. Width	50. Depth	51. Deduction	52. Net Cubic Feet	53. Conversion Factor	54. Gross Prod.	55. Bu Ton (Lbs.) CWT	56. Shell/Sugar Factor	57. FM% Factor	58a. Moisture % Factor	58b. Test WT Factor	59a. Adjusted Production	59b. Prod. Not to Count	60a. Production Pre-QA	60b. Value Mkt. Price	61. Quality Factor	62. Production to Count	63. Section II Total	64. Section I Total	65. Unit Total	66. Allocated Prod.	67. Total APH Prod.	
----	NS	TRI-COUNTY TOBACCO CO.							15,000					15,000		15,000		.600			15,752	12,551	28,303		17,618
----	NS	TRI-COUNTY TOBACCO CO.							16,000					16,000		16,000		.422							
----	NS	ZMV TOBACCO - DESTROYED							1,000					1,000		1,000		.000							

This form example does not illustrate all required entry items (e.g., signatures, dates, etc.).

**Exhibit 4 Form Standards - Production Worksheet (Continued)**

1. Crop/Code # <b>Fire CURED TOBACCO 0230</b>	2. Unit # <b>0001-0001 BU</b>	3. Location Description <b>FN 145</b>	7. Company Agency <b>ANY COMPANY ANY AGENCY</b>	8. Name of Insured <b>I. M. INSURED</b>
4. Date(s) of Damage <b>JUN</b>	<b>JUL 10</b>			9. Claim # <b>XXXXXXXX</b>
5. Cause(s) of Damage <b>DROUGHT</b>	<b>HAIL</b>			11. Crop Year <b>YYYY</b>
6. Insured Cause % <b>85</b>	<b>15</b>			10. Policy # <b>XXXXXXXX</b>
12. Additional Units <b>0002-0000BU</b>				14. Date(s) Notice of Loss 1st <b>MM/DD/YYYY</b> 2nd <b>MM/DD/YYYY</b> Final <b>MM/DD/YYYY</b>
13. Est. Prod. Per Acre <b>1500</b>				15. Companion Policy(s)

**SECTION I – DETERMINED ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS**

A. ACTUARIAL															B. POTENTIAL YIELD								
16. Field ID	17. Multi-Crop Code	18. Reported Acres	19. Determined Acres	20. Interest or Share	21. Risk	22. Type	23. Class	24. Sub-Class	25. Intended Use	26. Irr Practice	27. Cropping Practice	28. Organic Practice	29. Stage	30. Use of Acreage	31. Appraised Potential	32a. Moisture % Factor	32b. Shell %, Factor, or Value	33. Production Pre QA	34. Quality Factor	35. Production Post QA	36. Uninsured Causes	37. Total to Count	
A	NS		5.00	1.000		022					997		P	PLOWED WOC								10,685	10,685
B	WI		3.00	1.000		022					997		UH	TO SOYBEANS	622	-----		1,866		1,866			1,866
C	NS		20.00	1.000		022					997		H	H		-----							
39. TOTAL			28.00	40. Quality: TW <input type="checkbox"/> KD <input type="checkbox"/> Aflatoxin <input type="checkbox"/> Vomitoxin <input type="checkbox"/> Fumonisin <input type="checkbox"/> Garlicky <input type="checkbox"/> Dark Roast <input type="checkbox"/> Sclerotinia <input type="checkbox"/> Ergoty <input type="checkbox"/> CoFo <input type="checkbox"/> Other <input checked="" type="checkbox"/> None <input type="checkbox"/>												42. TOTALS		1,866		1,866	10,685	12,551	

NARRATIVE (If more space is needed, attach a Special Report) **Field A plowed without consent. See attached aerial photos. Acres determined by adjuster with GPS. 1000 lbs. of tobacco zero value due to blue mold. Adjuster physically witnessed destruction of zero value production. See special report for stalk inspection.**

Average value: Average value must be below \$2.06 (\$2.75 x .75) to qualify for QA. 10,000 lbs. sold for \$2.50/lb. 10,000 lbs. sold for \$0.75/lb. The \$0.75/lb. was determined to be unreasonable. A reasonable price of \$1.10 was determined. Total value \$36,000 / 20,000 lbs. sold = \$1.80/lb. Since \$1.80 is less than \$2.06, the production qualifies for QA.

**SECTION II – DETERMINED HARVESTED PRODUCTION**

43. Date Harvest Completed <b>MM/DD/YYYY</b>					44. Damage similar to other farms in the area? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>					45. Assignment of Indemnity Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>					46. Transfer of Right to Indemnity? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>								
A. MEASUREMENTS						B. GROSS PRODUCTION					C. ADJUSTMENTS TO HARVESTED PRODUCTION												
47a. Share Field ID	48. Multi-Crop Code	49. Length or Diameter	50. Width	51. Depth	52. Deduction	53. Net Cubic Feet	54. Conversion Factor	55. Gross Prod.	56. Bu Ton (Lbs.) CWT	57. Shell/Sugar Factor	58a. FM% Factor	58b. FM% Factor	59a. Moisture % Factor	59b. Moisture % Factor	60a. Test WT Factor	60b. Test WT Factor	61. Adjusted Production	62. Prod. Not to Count	63. Production Pre-QA	64a. Value Mkt. Price	64b. Value Mkt. Price	65. Quality Factor	66. Production to Count
	NS	TRI-COUNTY TOBACCO CO.							10,000								10,000		10,000	1.80	2.75	.655	6,550
	NS	ABC TOBACCO, INT.							10,000								10,000		10,000	1.80	2.75	.655	6,550
	NS	ZMV TOBACCO - DESTROYED							1,000								1,000		1,000	0.00	2.75	.000	0.00
67. TOTAL																			21,000		68. Section II Total	13,100	
																					69. Section I Total	12,551	
																					70. Unit Total	25,651	
																					71. Allocated Prod.		
																					72. Total APH Prod.	14,966	

This form example does not illustrate all required entry items (e.g., signatures, dates, etc.).

**Exhibit 5 Minimum Representative Sample Requirements**

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<b>Acres in Field or Subfield</b>	<b>Minimum Number of Samples*</b>
0.1 – 10.0	3

\*Add one additional sample for each additional 10.0 acres (or fraction thereof) in the field or subfield.



**Exhibit 6 Feet of Row Per 100 Plants and Number of Plants Per Acre**

Spacing Between Plants (Inches)	Length of Row Per 100 Plants (Feet)	Plants Per Acre Row Widths (Inches)						
		36"	38"	40"	42"	44"	46"	48"
14"	116.7'	12,445	11,792	11,201	10,667	10,183	9,740	9,334
16"	133.3'	10,890	10,317	9,801	9,334	8,910	8,522	8,167
18"	150.0'	9,680	9,170	8,712	8,297	7,920	7,576	7,260
20"	166.7'	8,712	8,253	7,841	7,467	7,128	6,818	6,534
22"	183.3'	7,920	7,503	7,128	6,789	6,480	6,198	5,940
24"	200.0'	7,260	6,878	6,534	6,223	5,940	5,682	5,445
26"	216.7'	6,701	6,349	6,031	5,744	5,483	5,245	5,026
28"	233.3'	6,223	5,895	5,601	5,334	5,092	4,870	4,667
30"	250.0'	5,808	5,502	5,227	4,978	4,752	4,545	4,356
32"	266.7'	5,445	5,158	4,900	4,667	4,455	4,261	4,084
34"	283.3'	5,125	4,855	4,612	4,393	4,193	4,011	3,844
36"	300.0'	4,840	4,585	4,356	4,149	3,960	3,788	3,630
38"	316.7'	4,585	4,344	4,127	3,930	3,752	3,588	3,439
40"	333.3'	4,356	4,127	3,920	3,734	3,564	3,409	3,267

NOTE: Use dotted line for types 35 & 36; heavy line for all other types.

**A. Determining Plants per Acre**

To use the above table, read across the appropriate column for distance between rows and down for distance between plants in a row. Where the two readings meet will be the number of plants per acre. If the distances in a particular field are not given in the above table, the number of plants per acre can be determined in the following manner:

Multiply the distance between the two rows in feet by the distance between plants in the row in feet. This gives the square feet of area for each plant. Then, by dividing this figure into 43,560 (square feet area in an acre) the number of plants per acre is determined.

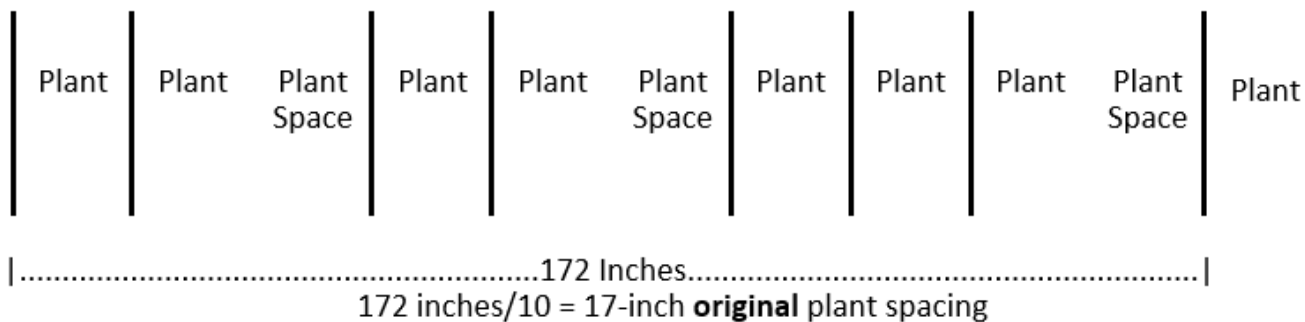
**Example:** 17-inch plant spacing and 41-inch row width

- (1) Divide plant spacing by 12":  
 $17'' \text{ plant spacing} \div 12'' = 1.42 \text{ ft. (rounded to hundredths)}$
- (2) Divide row width by 12":  
 $41'' \text{ row width} \div 12'' = 3.42 \text{ ft. (rounded to hundredths)}$
- (3) Multiply item (1) by item (2):  
 $1.42 \text{ ft.} \times 3.42 \text{ ft.} = 4.86 \text{ sq. ft. (rounded to hundredths)}$
- (4) Divide 43,560 by the result of item (3):  
 $43,560 \text{ sq. ft.} \div 4.86 \text{ sq. ft.} = 8,963 \text{ plants per acre (rounded to the nearest whole number)}$

**B. Determining Row Length per 100 Plants**

- (1) Determine the original plant spacing within the row by measuring, to the nearest whole inch, the distance between the first plant in the sample and the 11th plant (include in the count any missing or dead plants). Divide this distance by 10 and record the results in Plant Spacing item 14 of the [Tobacco Appraisal Worksheet](#).

**Example:** Measuring **original** plant spacing with 3 missing plants.



- (2) For even-numbered plant spacing, the required Length of Row per 100 Plants may be read directly from the Exhibit 6 above.
- (3) For plant spacing, not shown in Exhibit 6, use the following formula:
  - (a) Original plant spacing within the row (in inches) divided by 12" (rounded to 3-decimal places); and
  - (b) Multiply the result of item 1 above  $\times$  100 equals length of row per 100 plants (feet to tenth).

**Example:** 17-inch plant spacing

$$17'' \text{ plant spacing} \div 12'' = 1.4166 = 1.417 \text{ ft. plant spacing}$$

$$1.417 \text{ ft. plant spacing} \times 100 \text{ plants} = 141.7 \text{ ft. Length of Row per 100 Plants}$$

4 ROW PATTERN -- 5th TRACTOR ROW PERCENTAGE FACTOR FOR TRACTOR ROWS

42" Row Width		44" Row Width		46" Row Width		48" Row Width		50" Row Width		52" Row Width		54" Row Width	
Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres
42	80.00	44	80.00	46	80.00	48	80.00	50	80.00	52	80.00	54	80.00
44	79.25	46	79.28	48	79.31	50	79.34	52	79.37	54	79.39	56	79.41
46	78.50	48	78.57	50	78.63	52	78.69	54	78.74	56	78.79	58	78.83
48	77.78	50	77.88	52	77.97	54	78.05	56	78.12	58	78.20	60	78.26
50	77.06	52	77.19	54	77.31	56	77.42	58	77.52	60	77.61	62	77.70
52	76.36	54	76.52	56	76.67	58	76.80	60	76.92	62	77.04	64	77.14
54	75.68	56	75.86	58	76.03	60	76.19	62	76.34	64	76.47	66	76.60
56	75.00	58	75.21	60	75.14	62	75.59	64	75.76	66	75.91	68	76.06
58	74.34	60	74.58	62	74.80	64	75.00	66	75.19	68	75.36	70	75.52
60	73.68	62	73.95	64	74.19	66	74.42	68	74.63	70	74.82	72	75.00
62	73.04	64	73.33	66	73.60	68	73.85	70	74.07	72	74.29	74	74.48
64	72.41	66	72.73	68	73.02	70	73.28	72	73.53	74	73.76	76	73.97
66	71.79	68	72.13	70	72.44	72	72.73	74	72.99	76	73.24	78	73.47
68	71.19	70	71.54	72	71.87	74	72.18	76	72.46	78	72.73	80	72.97
70	70.59	72	70.97	74	71.32	76	71.64	78	71.94	80	72.22	82	72.48
72	70.00	74	70.40	76	70.77	78	71.11	80	71.43	82	71.72	84	72.00
74	69.42	76	69.84	78	70.23	80	70.59	82	70.92	84	71.23	86	71.52
76	68.85	78	69.29	80	69.70	82	70.07	84	70.42	86	70.75	88	71.05
78	68.29	80	68.75	82	69.17	84	69.57	86	69.93	88	70.27	90	70.59
80	67.74	82	68.22	84	68.66	86	69.06	88	69.44	90	69.80	92	70.13
82	67.20	84	67.69	86	68.15	88	68.57	90	68.97	92	69.33	94	69.68
84	66.67	86	67.18	88	67.65	90	68.09	92	68.49	94	68.87	96	69.23
		88	66.67	90	67.15	92	66.61	94	67.13	96	67.57		
				92	66.67	94	67.13	96	67.57				
						96	66.67						

To get width of Tractor Row, measure distance from top of row to the next top of row and subtract row width. Take measurement of several Tractor Rows to get average width.

**Formula:** Multiply Row Pattern by Row Width, plus Tractor Row. Divide result into Tractor Row. This gives percentage to take off. Subtract this percent from 100 percent. Result is percentage used to multiply to gross acreage to get acres of tobacco in field.

**Example:**  $4 \times 42'' + 42'' = 210$ ,  $42 \div 210 = 20.00\%$ ,  $100.00\% - 20.00\% = 80.00\%$  multiplied to gross acres determines net acres of tobacco in field.

**Exhibit 7 Tractor Row Acreage Correction Factors (Continued)**

**6 ROW PATTERN -- 7th TRACTOR ROW PERCENTAGE FACTOR FOR TRACTOR ROWS**

42" Row Width		44" Row Width		46" Row Width		48" Row Width		50" Row Width		52" Row Width		54" Row Width	
Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres
42	85.71	44	85.71	46	85.71	48	85.71	50	85.71	52	85.71	54	85.71
44	85.14	46	85.16	48	85.19	50	85.21	52	85.23	54	85.25	56	85.26
46	84.56	48	84.62	50	84.66	52	84.71	54	84.75	56	84.78	58	84.82
48	84.00	50	84.08	52	84.15	54	84.21	56	84.27	58	84.32	60	84.37
50	83.44	52	83.54	54	83.64	56	83.72	58	83.80	60	83.87	62	83.94
52	82.89	54	83.02	56	83.13	58	83.24	60	83.33	62	83.42	64	83.51
54	82.35	56	82.50	58	82.63	60	82.76	62	82.87	64	82.98	66	83.00
56	81.82	58	81.99	60	82.14	62	82.29	64	82.42	66	82.54	68	82.65
58	81.29	60	81.48	62	81.66	64	81.82	66	81.97	68	82.11	70	82.23
60	80.77	62	80.98	64	81.18	66	81.36	68	81.52	70	81.68	72	81.82
62	80.25	64	80.49	66	80.70	68	80.90	70	81.08	72	81.25	74	81.41
64	79.25	66	80.00	68	80.23	70	80.45	72	80.65	74	80.83	76	81.00
66	79.25	68	79.52	70	79.77	72	80.00	74	80.21	76	80.41	78	80.60
68	78.75	70	79.04	72	79.31	74	79.56	76	79.79	78	80.00	80	80.20
70	78.26	72	78.57	74	78.86	76	79.12	78	79.37	80	79.59	82	79.80
72	77.78	74	78.11	76	78.41	78	78.69	80	78.95	82	79.19	84	79.41
74	77.30	76	77.65	78	77.97	80	78.26	82	78.53	84	78.79	86	79.02
76	76.83	78	77.19	80	77.53	82	77.84	84	78.12	86	78.39	88	78.64
78	76.36	80	76.74	82	77.09	84	77.42	86	77.72	88	78.00	90	78.26
80	75.90	82	76.30	84	76.67	86	77.01	88	77.32	90	77.61	92	77.88
82	75.45	84	75.86	86	76.24	88	76.60	90	76.92	92	77.23	94	77.51
84	75.00	86	75.43	88	75.82	90	76.19	92	76.53	94	76.85	96	77.14
		88	75.00	90	75.41	92	75.79	94	76.14	96	76.47		
				92	75.00	94	75.39	96	75.76				
						96	75.00						

To get width of Tractor Row, measure distance from top of row to the next top of row and subtract row width. Take measurement of several Tractor Rows to get average width.

**Formula:** Multiply Row Pattern by Row Width, plus Tractor Row. Divide result into Tractor Row. This gives percentage to take off. Subtract this percent from 100 percent. Result is percentage used to multiply to gross acreage to get acres of tobacco in field.

**Exhibit 7 Tractor Row Acreage Correction Factors (Continued)**

**8 ROW PATTERN -- 9th TRACTOR ROW PERCENTAGE FACTOR FOR TRACTOR ROWS**

42" Row Width		44" Row Width		46" Row Width		48" Row Width		50" Row Width		52" Row Width		54" Row Width	
Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres	Tractor Row in Inches	% to Get Net Acres
42"	88.89	44	88.89	46	88.89	48	88.89	50	88.89	52	88.89	54	88.89
44"	88.42	46	88.44	48	88.46	50	88.48	52	88.50	54	88.51	56	88.52
46"	87.96	48	88.00	50	88.04	52	88.07	54	88.11	56	88.14	58	88.16
48"	87.50	50	87.56	52	87.62	54	87.67	56	87.72	58	87.76	60	87.80
50"	87.05	52	87.13	54	87.20	56	87.27	58	87.34	60	87.39	62	87.45
52"	86.60	54	86.70	56	86.79	58	86.88	60	86.96	62	87.03	64	87.00
54"	86.16	56	86.27	58	86.38	60	86.49	62	86.58	64	86.67	66	86.75
56"	85.71	58	85.85	60	85.98	62	86.10	64	86.21	66	86.31	68	86.40
58"	85.28	60	85.44	62	85.58	64	85.71	66	85.84	68	85.95	70	86.06
60"	84.85	62	85.02	64	85.19	66	85.33	68	85.47	70	85.60	72	85.71
62"	84.42	64	84.62	66	84.79	68	84.96	70	85.11	72	85.25	74	85.38
64"	84.00	66	84.21	68	84.40	70	84.58	72	84.75	74	84.90	76	85.04
66"	83.58	68	83.81	70	84.02	72	84.21	74	84.39	76	84.55	78	84.71
68"	83.17	70	83.41	72	83.64	74	83.84	76	84.03	78	84.21	80	84.37
70"	82.76	72	83.02	74	83.26	76	83.48	78	83.68	80	83.87	82	84.05
72"	82.35	74	82.63	76	82.88	78	83.12	80	83.33	82	83.53	84	83.72
74"	81.95	76	82.24	78	82.51	80	82.76	82	82.99	84	83.20	86	83.40
76"	81.55	78	81.85	80	82.14	82	82.40	84	82.64	86	82.87	88	83.08
78"	81.16	80	81.48	82	81.78	84	82.05	86	82.30	88	82.54	90	82.76
80"	80.77	82	81.11	84	81.42	86	81.70	88	81.97	90	82.21	92	82.44
82"	80.38	84	80.73	86	81.06	88	81.36	90	81.63	92	81.89	94	82.13
84"	80.00	86	80.37	88	80.70	90	81.01	92	81.30	94	81.57	96	81.82
		88	80.00	90	80.35	92	80.67	94	80.97	96	81.25		
				92	80.00	94	80.33	96	80.65				
						96	80.00						

To get width of Tractor Row, measure distance from top of row to the next top of row and subtract row width. Take measurement of several Tractor Rows to get average width.

**Formula:** Multiply Row Pattern by Row Width, plus Tractor Row. Divide result into Tractor Row. This gives percentage to take off. Subtract this percent from 100 percent. Result is percentage used to multiply to gross acreage to get acres of tobacco in field.

**Example:**  $8 \times 42 + 42 = 378$ ,  $42 \div 378 = 11.11\%$ ,  $100.00\% - 11.11\% = 88.89\%$  multiplied to gross acres determines net acres of tobacco in field.

**Exhibit 8 Request for Grading Services**

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United States  
Department of  
Agriculture

Agricultural  
Marketing  
Services

USDA, AMS Cotton and Tobacco Programs  
Attention: Bobby Wellons  
1306 Annapolis Drive, Room 201  
Raleigh, NC 27608-0001  
Telephone: 919-524-5328

Date: MM/DD/YY

Subject: Request for Grading Services

I request that the accompanying tobacco sample be graded for quality purposes.

Company - Policy Number: \_\_\_\_\_

Bundles: \_\_\_\_\_

Farm Number: \_\_\_\_\_

Please send results to:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Telephone: \_\_\_\_\_


Attached is payment of \$55.00 per sample.

Make check payable to:

USDA, AMS, Cotton and Tobacco Programs  
1306 Annapolis Drive  
Raleigh, NC 27608

**If you have any questions about completing the form, contact AMS directly at telephone:  
919-524-5328.**

**Exhibit 9 Inspection and Classification Certificate**

TB-85 (10-02)	UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL MARKETING SERVICE  TOBACCO PROGRAMS  <b>INSPECTION AND CLASSIFICATION CERTIFICATE</b> Unstemmed and Unsweated Tobacco	No. E030032		
This Certificate is issued under the Tobacco Inspection Act (49 Stat. 731).				
LOT NO. OR FARM NO  001	NO. OF BALES OR PILES  100	TYPE  12	U.S. GRADE (if applicable)  B3F	WEIGHT (if applicable)  N/A
LOCATION AT TIME OF INSPECTION/CERTIFICATION (Warehouse, City, State)				
Raleigh, NC 1306 Annapolis Drive		I. M. Farmer Any Street Raleigh, NC 27569		
I CERTIFY that the tobacco herein identified is as shown above.				
	_____ MM-DD-YYYY (Date)		_____ I. M. Inspector (SIGNATURE OF OFFICIAL INSPECTOR)	
<b>ORIGINAL</b>				