

United States
Department of
Agriculture



Federal Crop Insurance
Corporation



Product
Development
Division

FCIC-25530 (03-1999)
FCIC-25530-1 (05-1999)
FCIC-25530-2 (02-2000)

TOBACCO (QUOTA) LOSS ADJUSTMENT STANDARDS HANDBOOK

2000 and Succeeding Crop Years

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

FEDERAL CROP INSURANCE HANDBOOK	NUMBER: 25530 (03-1999) 25530-1 (05-1999) 25530-2 (02-2000)
SUBJECT: QUOTA TOBACCO LOSS ADJUSTMENT STANDARDS HANDBOOK 2000 AND SUCCEEDING CROP YEARS	DATE: February 16, 2000
	OPI: Product Development Division
	APPROVED: \S:\ Tim B. Witt Deputy Administrator, Research and Development

THIS HANDBOOK CONTAINS THE OFFICIAL FCIC-APPROVED LOSS ADJUSTMENT STANDARDS FOR THIS CROP FOR THE 2000 AND SUCCEEDING CROP YEARS. IN THE ABSENCE OF INDUSTRY-DEVELOPED, FCIC-APPROVED PROCEDURE FOR THIS CROP FOR 2000 AND SUCCEEDING CROP YEARS, ALL REINSURED COMPANIES WILL UTILIZE THESE STANDARDS FOR BOTH LOSS ADJUSTMENT AND LOSS TRAINING.

SUMMARY OF CHANGES/CONTROL CHART

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

Revises: The TPC Production Worksheet entry, Value Per Pound (Item O) and Total (Item R), of Section I.

QUOTA TOBACCO LOSS ADJUSTMENT STANDARDS HANDBOOK

SUMMARY OF CHANGES/CONTROL CHART (Continued)

Control Chart For: Quota Tobacco Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	Reference Material	Date	Directive Number
Remove	1-2		21-22		05-1999	FCIC-25530-1
Insert	1-2		21-22		02-2000	FCIC-25530-2
Current Index	1-2	1-2	1-20 21-22 23-24 25-30	31-39	02-2000 03-1999 02-2000 05-1999 03-1999	FCIC-25530-2 FCIC-25530 FCIC-25530-2 FCIC-25530-1 FCIC-25530

H. **Stage:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Stage abbreviation as shown below.

<u>STAGE</u>	<u>EXPLANATION</u>
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"P".	Acreage abandoned without consent, put to other use without consent, damaged solely by uninsured causes, for which the insured failed to provide records of production which are acceptable to the insurance provider.
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"H".	Harvested.
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"UH".	Unharvested or put to other use with consent.
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PREVENTED PLANTING: There are no prevented planting provisions for quota tobacco.

I. **Intended or Final Use:** Use of Acreage. Use the following "Intended Use" abbreviations.

<u>USE</u>	<u>EXPLANATION</u>
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"WOC".	Other use without consent
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"SU".	Solely uninsured
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"ABA".	Abandoned without consent
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"H".	Harvested
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"UH".	Unharvested
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NOTE: See subsection 2 (B) (3) and/or the Crop Provisions for the definition of harvest.

Verify any "Intended Use" entry. If the final use of the acreage was not as indicated, strike out the original line and initial it. Enter all data on a new line showing the correct "Final Use."

J. **Appraised Potential:** Per-acre appraisal, in whole pounds, of POTENTIAL production for the acreage appraised from item 29 or item 32 of the Appraisal Worksheet. (See appraisal methods for additional instructions.)

NOTE: If there is no potential on UH acreage enter "0."

K. **Quality Factor:** MAKE NO ENTRY.

L. **Adjusted Potential:** Enter the amount from item "J."

M. **Uninsured Causes:** EXPLAIN IN THE NARRATIVE.

a. Hail and Fire exclusion NOT in effect.

- (1) Enter NOT LESS than the insured poundage quota per acre (calculated as defined in the Quota Tobacco Crop Provisions), in whole pounds, for any "P" stage acreage.

NOTE: On preliminary inspections, advise the insured to keep the harvested production from any acreage damaged SOLELY by uninsured causes separate from other production.

- (2) For acreage that is damaged PARTLY by uninsured causes, enter the APPRAISED UNINSURED loss of production, in whole pounds, for any such acreage.

b. When there is late-planted acreage, the applicable per-acre farm yield or approved yield, for such acreage is the farm yield that has been reduced for late-planted acreage unless the insured plants enough acreage, prior to the final planting date, to fulfill the effective poundage marketing quota. Refer to the Crop Provisions for Late Planting Provisions.

c. Refer to the LAM when a Hail and Fire Exclusion is in effect and damage is from hail or fire.

d. Enter the result of adding uninsured cause appraisals to hail and fire exclusion appraisals.

NOTE: For fire losses, if the insured also has other fire insurance (double coverage), see the LAM.

N. **Potential Counted:** Potential to count, in whole pounds, (Column "L" plus Column "M").

O. **Value Per Pound:** Result of multiplying the current year's support price by the insured's selected price election percentage, rounded to the nearest cent.

P. **Total Potential to Count:** Draw a diagonal line. Enter the total potential to count (Column "C" or "C₁" (actual acres) times Column "N") **above** the diagonal line to whole pounds. Enter **below** the diagonal line the total value (in whole dollars) to count (Column "C" or "C₁" (actual acres) times Column "N" times Column "O").

Q. **Per Acre:** The insured poundage quota per acre, in whole pounds.

R. **Total:** Column "C₂" (reported acres; "C" if acreage is not under-reported) times Column "O," times Column "Q," rounded to the nearest whole dollar.