

## PART VIII – TOBACCO

This Schedule A, Tobacco Plan, forms an integral part of the PRODUCTION INSURANCE AGREEMENT and as such contains supplementary information specific to tobacco.

DATE	TOPIC	REQUIREMENTS and/or EFFECTS
May 31	Application deadline	
	Required deposit	15 - 50% as per subsection 13(2)
	Perils insured against	See section 8
	Approved varieties	Varieties approved and recommended by the Corporation.
June 20 June 30	Final planting date	Probable yield reduced by 2% per day after June 20. Acres planted after June 30 are not eligible for insurance.
	Stage I indemnity rate (30 days after planting)	Maximum indemnity is 6% of insured value (section 23).
	Stage II indemnity rate (unharvested acres) FULL OFFSET between Stage II and Stage III	Maximum indemnity is a 55-day sliding scale from 50 to 70% of insured value (section 24).
	Stage III indemnity rate (harvested crop)	Indemnity equals the shortfall in production at the unit price (section 25). Yield adjustment will increase from 71% - 100% at the rate of 1% per day during harvest. Adjustment is 100% at completion of harvest.
Sept. 27	Final date for harvest	Subsequent field losses are at the insured's risk.
<b>Dec. 20</b>	<b>Final date for filing PROOF of LOSS in writing</b>	
<p>Production to count means all saleable production sold from the farm. Production units will be expressed in pounds.</p> <p>For the purpose of calculating production to count (lbs.), the following conversion factor may be used:</p> <p>(1) actual sales weight of flue-cured tobacco in lbs. that has been graded and sold</p> <ul style="list-style-type: none"> <li>- contract lbs. = gross weight less terra</li> <li>- 4lbs. of nondescript tobacco will equal 1lb. of production to count.</li> <li>- every 1lb. bulk sales at the farm gate will represent 1lb. of production to count.</li> <li>- 1lb. of broadleaf (cigar) tobacco is deemed equal to 1.5 lbs. of flue-cured tobacco.</li> </ul> <p>(2) The insured actual production shall be adjusted by the Corporation based on records and delivery slips.</p>		