

Raleigh Regional Office — Raleigh, NC

June 2016

Clary Sage

North Carolina

Crop Insured

Clary sage is insurable if:

- A premium rate is provided by the actuarial document in which you have a share;
- The crop is planted for harvest and extraction of sclareol; and
- The crop is grown in accordance with the requirements of a processor contract executed on or before the acreage reporting date, and is not excluded from the processor contract during the crop year.

The number of insurable acres will be the number of acres planted to fulfill your processor contract.

Acreage that was planted to clary sage in each of the previous two years is not insurable.

Counties Available

Clary sage insurance is available in Bertie, Chowan, Edgecombe, and Martin counties. Clary sage is not eligible for written agreements. Contact a crop insurance agent for more details.

Causes of Loss

You are protected against the following:

- Adverse weather conditions, including natural perils such as hail, frost, freeze, wind, drought, and excess precipitation;
- Failure of the irrigation water, supply if caused by an insured peril during the insurance period;
- Fire, if caused by an insured peril during the insurance period;
- Insect damage and plant disease, except for insufficient or improper application of control measures; or
- Wildlife.

Insurance Period

Insurance coverage begins on the later of the date we accept your application or the date when the crop is planted, and ends with the earliest occurrence of one

of the following:

- Total destruction of the crop;
- Final adjustment of a loss;
- Harvest of the crop;
- Abandonment of the crop; or
- July 15, 2017.

Important Dates

| | |
|------------------------------|--------------------|
| Sales Closing Date | July 31, 2016 |
| Final Planting Date | September 30, 2016 |
| Acreage Reporting Date | November 15, 2016 |
| Premium Billing Date | June 1, 2017 |

Duties in the Event of Damage of Loss

Notice of Loss - If a loss occurs you should:

- Protect the crop from further damage by providing sufficient care;
- Notify your agent within 72 hours of your initial discovery of damage or loss of production (but not later than 15 days after the end of the insurance period); and
- Leave representative samples intact for each field of the damaged unit.

Definitions

Base Contract Price - The price per pound stipulated in the processor contract for sclareol and used, without regard to discounts or incentives, to determine your price election.

Practical to Replant - In addition to the definition of “practical to replant” contained in the Basic Provisions, it will be practical to replant only if the processor agrees in writing to accept all production from the replanted acreage.

Price Election - The value per pound of sclareol determined by multiplying your base contract price by the percentage of price you elect and is used for the purpose of determining the amount of premium and indemnity due under the policy.

Sclareol - A compound extracted from clary sage

plant material using solvent extraction methods.

Reporting Requirements

Acreage Report - The acreage report must include all acreage of clary sage (insurable and uninsurable) in which you have a share. The report must be submitted to your crop insurance agent on or before the appropriate acreage reporting date. You should provide a copy of all processor contracts to your agent along with your acreage report.

Coverage Levels and Premium Subsidies

Coverage levels range from 50 to 75 percent of your approved yield and are subsidized as shown below. For example, an average actual production history (APH) yield of 50 pounds per acre would result in a guarantee of 25 pounds per acre at the 50-percent level.

| Item | Percent | | | | | |
|--------------------|---------|----|----|----|----|----|
| Coverage Level | 50 | 55 | 60 | 65 | 70 | 75 |
| Premium Subsidy | 67 | 64 | 64 | 59 | 59 | 55 |
| Your Premium Share | 33 | 36 | 36 | 41 | 41 | 45 |

Catastrophic Risk Protection (CAT) coverage is fixed at 50 percent of your average yield and 55 percent of the price election. The cost for CAT coverage is an administrative fee of \$300.

Late and Prevented Planting

The late and prevented planting provisions are not applicable.

Loss Example

Assume clary sage with an approved yield of 50 pounds per acre, 65-percent coverage level, 100 percent share, and one basic unit.

| | |
|-----------------|---------------------------|
| 50 | Approved Yield per acre |
| x 0.65 | Coverage level |
| 33 | Acre guarantee |
| — 20 | Production-to-Count |
| 13 | Loss per acre |
| x \$23.65 | Price election |
| \$307.45 | Indemnity per acre |

Where to Buy Crop Insurance

All multi-peril crop insurance, including CAT policies, are available from private insurance agents. A list of crop insurance agents is available at all USDA service centers and on the RMA website at www.rma.usda.gov/tools/agent.html.

Contact Us

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