

Crop Delivery Contract Insurance Policy Product Summary



Definition

The Crop Delivery Contract Insurance Policy from John Deere Insurance Company provides coverage in the event of a contract shortfall due to low production.

Requirements

- Applicant must insure insured crop under a Revenue Protection MPCCI policy by an approved insurance provider.
- Revenue Protection with the Harvest Price Exclusion, Yield Protection, Group Risk Protection and Group Risk Income Protection policies are not eligible for this coverage.
- The initial delivery date stated in the Crop Delivery Contract cannot occur prior to the date shown in the Coverage Determination in the Underwriting Guidelines or the Indemnity Requirements section of this document.
- Only contracted volumes equal to or less than the county MPCCI yield guarantee of the Revenue Protection policy held by the insured (adjusted if necessary for insured's share of all insured units) will be insurable under this policy.
- If the county limit is met, no additional liability will be accepted by application.
- If any amount of the same insured crop is in storage, the insured must notify JDIC prior to our acceptance of the application and allow JDIC access to determine total volume.

Coverage Period

- For coverage to attach, the insured must submit at least one signed crop delivery contract to JDIC for approval with:
 - o The contracted volume of grain
 - o The contract price for the contracted volume if selected
 - o All provisions related to the replacement of any contract shortfall incurred by the producer, including any penalties assessed by the Processing Facility, should the applicant fail to deliver the required volume
- Coverage attaches the later of:
 - o The day your planted crop emerges
 - o 12:01 am on the day after the insured and the licensed and authorized John Deere agent sign the application (given the policy is transferred within the required 48 hours after signing)
 - o The day JDIC approves the policy and submitted crop delivery contract(s)
- Coverage expires for each acre the earliest of:
 - o The date harvest is complete
 - o The date the crop is abandoned
 - o The date the entire insured crop is destroyed as determined by JDIC
 - o The end of the insurance period as determined by the underlying MPCCI policy

Indemnity Requirements

- If a contract shortfall occurs, the replacement price must exceed the contract price and the MPCCI spring and harvest price to receive an indemnity.
- The crop delivery contract must still be valid and in force at the time any claim is finalized.
- The insured must be willing to set a replacement price for the crop delivery contract(s) prior to the settlement of any claim, if a price has not already been indicated on the contract.
- Coverage is based on total contracted volume, for those contracts accepted by JDIC, and up to the replacement price cap shown below by crop.

Crop	Initial Contract Delivery Date	Replacement Price Cap	End of Ins. Period
Corn	September 1	\$2.00	December 10
Soybeans	September 1	\$3.00	December 10

NOTE: Specialty crops may also be accepted. See the Underwriting Guidelines for complete requirements and details.

Indemnity Example (For illustrative purposes only)

MPCI Spring Price: \$3.50 Contract Volume: 40,000 bushels
 MPCI Harvest Price: \$3.80 Production to Count: 20,000 bushels
 Contract Price: \$3.60 MPCI Share: 100%
 Processing Facility Replacement Price: \$4.15

1. Determine share of total production. Adjust if necessary for damage due to uninsured causes.	Production to Count x MPCI Share 20,000 x 100% = 20,000
2. Determine insured contract shortfall.	Contract Volume - Total Share 40,000 - 20,000 = 20,000
3. Determine loss replacement price. If the facility price exceeds all others, subtract the greatest. Check result against the replacement price cap.	\$4.15 > \$3.50, \$3.60, \$3.80 \$4.15 - \$3.80 = \$0.35 \$0.35 < \$2/\$3 replacement cap
4. Determine indemnity payment.	Contract Shortfall x Determined Loss Replacement Price 20,000 x \$0.35 = \$7,000

Sales Closing Date

The sales closing date for application is March 15 of the current crop year. See the Underwriting Guidelines for complete details.

Availability (Subject to Approval)

AR, IL, IN, IA, KS, KY, MN, MO, NE, OH, SD, TN, WI