

SCO

Supplemental Coverage Option

Overview

The Supplemental Coverage Option (SCO) is a crop insurance option that provides additional protection of your underlying crop insurance policy deductible.

This endorsement is available on YP, RP, RP-HPE, or the Actual Production History policy for crops that do not have revenue protection available.

An indemnity is due for RP policies when the final area revenue is less than the expected area yield multiplied by the higher of the projected price or harvest price; for RP-HPE policies when the final area revenue is less than the expected area revenue multiplied by the projected price; and for all other underlying policies when the final area yield is less than the expected yield multiplied by the area loss trigger.

Availability

Insureds must have the Common Crop Insurance Policy, Basic Provisions, and applicable Crop Provisions in force to elect coverage under this endorsement.

SCO is available when listed in the actuarial documents. It cannot be combined with the Agriculture Risk Coverage (ARC) or Stacked Income Protection (STAX) plans. If you elect SCO and ARC for the same crop on a farm, your SCO coverage for that crop on that farm will be canceled. You must report the crop on that farm as covered by ARC on your acreage report or you will forfeit 60 percent of your SCO premium. However, your underlying policy will still be in effect.

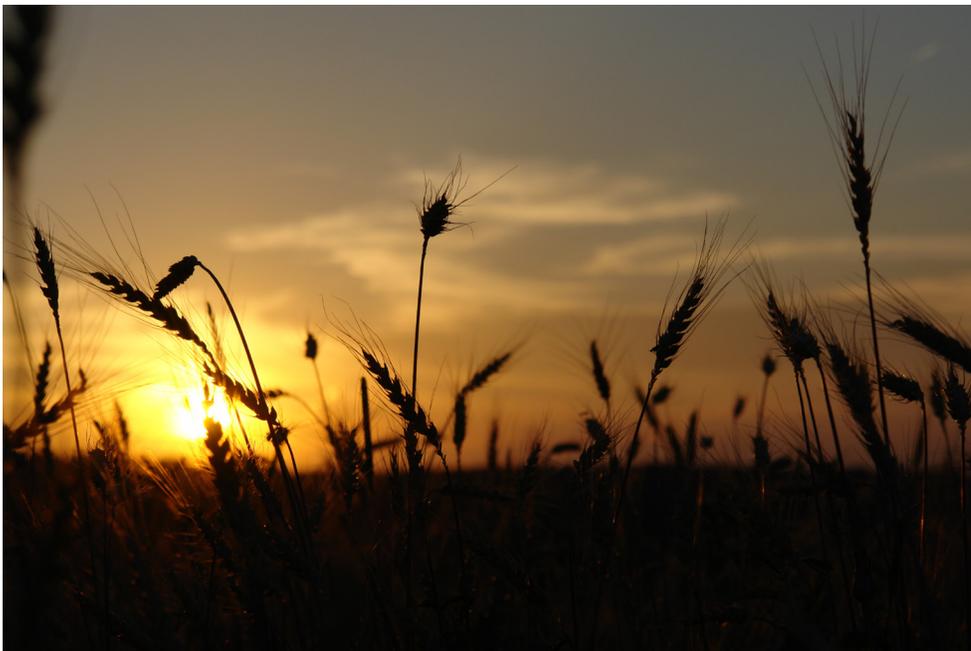
This endorsement does not provide payments for prevented planting or replanting.

SCO Payments

SCO follows the coverage of your underlying policy. If you choose Yield Protection, then SCO covers yield loss. If you choose Revenue Protection, then SCO covers revenue loss.

The amount of SCO coverage depends on the liability, coverage level, and approved yield for your underlying policy. However, SCO differs from the underlying policy in how a loss payment is triggered. The underlying policy pays a loss on an individual basis and an indemnity is triggered when you have an individual loss in yield or revenue. SCO pays a loss on an area basis, and an indemnity is triggered when there is a county-level loss in yield or revenue.

SCO payments are determined only by county average revenue or yield, and are not affected by whether you receive a payment from your underlying policy. It is possible to experience an individual loss but to not receive an SCO payment, or vice-versa.



This summary is for general illustration purposes only.

For more information, consult your crop insurance agent to obtain specific information regarding practices, options, planting dates, and other deadlines. Read the Policy Provisions before making your decision on any crop insurance product. Policy Provisions are available from your insurance agent.