Program Introduction

Combine PowerGard Program
- Program Introduction
- Program Parameters for Plan A (New units) and Plan B (Used units)
- Upgrades (term extensions) – eligible on Plan A (New, in warranty units) contracts only
- Contract Links (Limited & Comprehensive) for Contract Details
- Pricing Pages for PowerGard Protection Plans A & B – Off PPP Calculators

“Certification”
- Steps to “Certify”
- Sample PowerGard Combine “Certification” Form – In “Help & Support” section - Service

Contract Processing/Purchasing
- Quoting a Price for PowerGard Protection Plan
- Processing a PowerGard Protection Plan Contract
- PowerGard Protection Plan A and B Certificate Cards

Claims Processing
- Steps to Process Claims
- Advantages of PowerGard Protection Plan
- Common Claim Situations

How To Sell
- Sales Tips
- Accept/Rejection Form

Acknowledgement
- Dealer Acknowledgement Form
**Program Introduction**

*PowerGard* Protection Plan is an extended warranty for John Deere Harvesting Equipment covering defective components/parts due to faulty materials or original workmanship. For new (in warranty) John Deere combines, customers can purchase either Limited (engine & powertrain) or Comprehensive (full machine) coverage. For used (beyond warranty) inspected and certified “Approved” units held for sale in dealer inventory, customers can only purchase the Limited (engine & powertrain) form.

*PowerGard* Protection Plan is not insurance. Due to the possibility of rock damage and other insurance related hazards, *PowerGard* will not cover components in the crop path.

*PowerGard* Protection Plan programs are designed to compliment other aftermarket products, such as the Preventative Maintenance Plans, to give a customer more control over the total cost of ownership.

**PowerGard Protection as a Competitive Advantage**

*PowerGard* gives you the ability to offer more flexibility in extended warranty options.

- Can offer *PowerGard* on new combine equipment sales
- Can offer *PowerGard* on used Certified-Approved combine sales
- Sell your new units with continuous coverage after the JD basic warranty and your used Certified-Approved combines from dealership inventory with extra confidence
- Protect your customers from costly downtime and repair expenses for post-warranty failures/breakdowns.

**Tailored Coverage Options**

*PowerGard* created different coverage options to match the average annual usage of your customers. All *PowerGard* Protection Plan program options are based on engine hours.

**Plan A** coverage options for new harvesting equipment are targeted to three different types of operators:

- Low hour users = up to 250 hours per year
- Average hour users = 251 - 500 hours per year
- High hour users/custom cutters = 501 - 1000 hours per year

**Plan B** coverage options for used combines and cotton pickers/strippers are targeted to two types of operators:

- Low hour users = up to 250 hours per year
- Average hour users = 251- 500 hours per year

- Present your customer with the right term option, given their average annual usage.

The “24 total month/ XXX total hour” *PowerGard* options under **Plan A** do not provide engine coverage, as the engine is covered by the JD Basic Warranty for the first 24 months or 2000 hours. However, the *PowerGard* contracts for “24 total months” do provide extra protection on all *PowerGard* covered components for the second year (non-engine components) that are not covered by the JD Basic Warranty.

- These options are perfect for customers who will only use the equipment for 2 years.
**PowerGard Program Parameters for Combines**

**John Deere Basic Warranty:**
- 2 years / 2000 hours – Engine
- 1 year / unlimited – Full Machine

**Protection Plan A - Eligibility:**
The *PowerGard* Protection Plan A is available for new (still in warranty) John Deere combines. The combines must be within the first year of the John Deere basic warranty and have less than 1,000 engine hours.

**Basic Warranty Start Date**
- 95 Days / 100 Hours
- 1 Year / 1,000 Hours
- 6 Years / 1500 Hours

<table>
<thead>
<tr>
<th>PLAN A</th>
<th>PLAN A</th>
<th>PLAN B</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;Grace Period&quot;</td>
<td>&quot;Delayed Purchase Period&quot;</td>
<td>Used Units in Inventory Certification Required</td>
</tr>
<tr>
<td>No Surcharge Applied</td>
<td>40% Surcharge Applies No Certification Required</td>
<td></td>
</tr>
</tbody>
</table>

- **Plan A “Grace Period”**: *PowerGard* Protection Plan can be purchased any time from the John Deere Basic Warranty start date and up to 95 days or 100 hours without a surcharge.

- **Plan A “Delayed Purchase Period”**: *PowerGard* Protection Plan can still be purchased after 95 days or 100 hours and up to 1 year or 1,000 hours with a 40% surcharge applied to the pricing. (No Certification is required in this period effective Feb 5, 2018 and beyond).

- **All 30 individual Plan A term options include** the John Deere Basic Warranty.

**Plan A Time/Hour Options Available**
Coverage Periods include the John Deere Basic Warranty

<table>
<thead>
<tr>
<th>Total Months</th>
<th>24*</th>
<th>24*</th>
<th>24*</th>
<th>36</th>
<th>36</th>
<th>36</th>
<th>36</th>
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<tbody>
<tr>
<td>Total Hours</td>
<td>500*</td>
<td>1000</td>
<td>2000</td>
<td>750</td>
<td>1000</td>
<td>1500</td>
<td>2000</td>
<td>3000</td>
<td>1000</td>
<td>1500</td>
<td>2000</td>
<td>2500</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Months</th>
<th>60</th>
<th>60</th>
<th>60</th>
<th>60</th>
<th>60</th>
<th>60</th>
<th>72</th>
<th>72</th>
<th>72</th>
<th>72</th>
<th>72</th>
<th>72</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Hours</td>
<td>1250</td>
<td>1500</td>
<td>1750</td>
<td>2000</td>
<td>2500</td>
<td>3000</td>
<td>3500</td>
<td>4000</td>
<td>1500</td>
<td>1750</td>
<td>2000</td>
<td>2500</td>
</tr>
</tbody>
</table>

* Engine coverage provided under the Basic Warranty for these 24 month options. Plan Term options above are available for either Limited (engine & powertrain) or Comprehensive (full machine) coverage under PPP.*
**CONTRACT UPGRADES/EXTENSIONS – PLAN A:**
Plan A PowerGard Protection contracts purchased on new (in warranty) combines, can be upgraded (extended). Upgrades (term extensions) can only be made to the same coverage type (i.e. Limited to Limited – or Comprehensive to Comprehensive) for longer terms (longer total months, higher total hours, or both). For active Plan A contracts on machines with current customers, they can upgrade to the maximum of 72 month and 4000 total hours (as shown above).

**LONGER PLAN TERM OPTIONS** – Rolled Machines through Used Inventory - Effective March 2017: Plan A (Limited & Comprehensive) – On rolled, units through dealer inventory, and which are subject to inspection/certification, fluid testing and approval, Plan A plan term options of **66, 72, 78, 84, 90 and 96 total months** (and up to 4000 total hours) are also available to next purchasing/leasing customers as well. This allows for continual Plan A coverage on rolled, used machines without having to move to “Plan B” type PPP contracts or programs/rules.

Upgrades are not allowed or possible under Plan B coverage terms on used, out of warranty units that get PowerGard Protection contracts sold on them from dealer inventory.

**PROTECTION PLAN A - UPGRADES**
- A PowerGard Protection Plan “upgrade” is purchasing a Plan A time/hour option that is longer than the current contract term on the tractor.
- Upgrades may be purchased any time before the expiration of the Deere basic warranty (with no inspection/certification requirements) or uninterrupted PowerGard Plan A coverage that is still in-force (if fluid tested and inspected, certified and Approved).
- A PowerGard Protection Plan contract provides a maximum of 72 total months / 4000 total hours for both Limited and Comprehensive coverage (including the John Deere basic warranty). These are the highest plan term options that can be upgraded to for either Limited or Comprehensive coverage to existing customer-owned machines.
- Combines rolled and in used dealer inventory held for sale, and which have Active Plan A PPP contracts on them, can be upgraded to the newer LONGER PLAN TERM OPTIONS of 66, 72, 78, 84, 90 or 96 total months, only if/when the machines are ran through inspection/certification and fluid testing and are “Approved”. Then, upon the used delivery receipt to the next purchasing/leasing customer, the longer Plan A plan term options will be displayed for purchase. ALL units in dealer inventory, whether applying for Upgrades to Longer Plan term options under Plan A Comp or Limited, or seeking Plan B Limited coverage, MUST be Inspected/Certified, fluid tested and Approved to be eligible for Upgrade PG contract purchase.
- The difference in the cost of the two contracts will be applicable to a 40% surcharge if the upgrade takes place anytime during the PowerGard Protection Plan coverage period (past basic warranty).
- The cost of an upgrade is the difference in price between the plan term option being upgraded to (at today’s rates/surcharges) less the original price of the PPP contract(s) purchased.
- Upgrade quotes can be easily calculated using the PowerGard Upgrade Calculator from the Combine home page in the PowerGard Protection web site.
➢ Refunds or “buy-downs” of coverage are not permitted under PowerGard Protection (i.e. a “Comp to Limited” coverage change).

➢ NOTE: Limited (engine & powertrain) contracts can only be upgraded with Limited (engine & powertrain) contracts.

➢ NOTE: Comprehensive (full machine) contracts can only be upgraded with Comprehensive (full machine) contracts.

➢ Upgrades are not available between the two different coverage form types (Limited or Comprehensive). Limited coverage terms cannot be upgraded to Comprehensive terms. Comprehensive coverage terms cannot be ‘downgraded’ to Limited coverage terms. NOTE: The only exception to this rule is under the CPO program.

SALES TIP:

➢ When Combines come in on trade with remaining PowerGard Protection Plan contract coverage (under Plan A for in-warranty units), determine if your next customer is eligible for an “Upgrade” to meet their ownership and use/coverage term needs. Then quote them a longer PowerGard terms (with the same coverage form) using the Upgrade Calculator.

PROTECTION PLAN B:

The PowerGard Protection Plan B is available for used/pre-owned, inspected, and “certified” John Deere combines. The combines must be beyond the first year of the John Deere basic warranty, have less than 1500 engine hours, and still be in dealer inventory.

<table>
<thead>
<tr>
<th>Basic Warranty Start Date</th>
<th>95 Days / 100 Hours</th>
<th>1 Year / 1000 Hours</th>
<th>6 Years / 1500 Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLAN A</td>
<td>For New Units Grace Period</td>
<td>For New Units Delayed Period = +40%</td>
<td>PLAN B *Certification Required</td>
</tr>
</tbody>
</table>

*For Information on how to certify, see “Certification” section, page 1.

PowerGard is only available at time of sale of the combine for Plan B on used units in dealer inventory, and a delivery receipt is required to begin the protection plan purchase & coverage.

• The combine must still be in the dealer’s inventory at the time PowerGard is sold.
• The combine must have been originally dealer invoiced within the last 6 years, and have less than 1,500 total operating engine hours on a working engine hour meter.
• The combine must be “certified” Approved prior to the PowerGard Protection Plan sale.
• Units eligible for Plan B must NOT have an active Plan A or Plan B contract in place.
For Plan B Contracts Sold:
- The selling dealer is responsible for any repairs and replacements for the first 30 days or 50 hours after the contract is purchased and registered with Deere & Co., and must advise the customer to return to their dealership during that time frame if a failure occurs.
- Contract must be entered in the PG Contract Purchase application within 15 days of the delivery receipt.

Note: Failure to inspect, certify and submit all required documentation and fluid tests will result in the charge-back of any subsequent PowerGard claims submitted for that PIN. Inspection and Certification should always be done prior to the quoting, selling, and entering of all PowerGard Protection contracts on used, out-of-warranty units.

### PLAN B TIME/HOUR OPTIONS
Coverage Begins Upon the Delivery of Unit

<table>
<thead>
<tr>
<th>Total Months (from delivery)</th>
<th>12</th>
<th>12</th>
<th>24</th>
<th>24</th>
<th>36</th>
<th>36</th>
<th>36</th>
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<tbody>
<tr>
<td>Total Hours (from delivery)</td>
<td>250</td>
<td>500</td>
<td>500</td>
<td>1000</td>
<td>750</td>
<td>1000</td>
<td>1500</td>
</tr>
</tbody>
</table>

**Sales Tips:**
- Offering PowerGard on “certified” combines helps you sell more used equipment while also allowing you to get higher margins on units sold.
- After Inspection/Certification is complete, display the combine with a PowerGard “certified” window cling (DKMIS2087) – from the PG/CPO Test Kits (DKGA2019 or DKGA2019CAN).
- Explain to your customer how the combine has passed a thorough multi-point inspection/certification process and several scan tests on the fluids.
- NOTE: Certification “Approval” status on PINs passing fluid tests and inspection:

**For Plan B – PowerGard Certified:**
- Are good for 12 months or 250 engine hours (of rental/demo) until expiration

**For CPO Certification**
- Are good for 12 months or 50 engine hours (of rental demo) unit expiration
**POWERGARD PROTECTION PLAN - COMBINES “LIMITED” ENGINE & POWERTRAIN COVERAGE**

### ENGINE COMPONENTS COVERED

- Cylinder block
- Rocker arm cover
- Timing gear covers
- Head
- Oil Pan
- All parts contained inside any of the above components.
- Fuel injection pump and injectors
- Water Pump
- Electronic fuel injection controller
- Turbocharger
- Flywheel
- Crankshaft seals/oil seal housings
- Intake and exhaust manifolds attached to the cylinder head
- Oil coolers mounted directly to the engine
- Crankshaft torsional damper
- Starters
- Engine Fan Drives

### ENGINE COMPONENTS NOT COVERED

- External pipes and hoses (including but not limited to turbo charger oil line, injector pump lines, and air intake hoses and clamps)
- Fan and accessory drive belts
- Accessory mounting brackets
- Accessories

### POWERTRAIN COMPONENTS COVERED

- Engine gearcase
- Gearcase input shaft
- Hydrostatic drive pump and motor
- Propulsion transmission
- Final drives
- All parts contained inside of any one of these components.

### MISCELLANOUS COMPONENTS COVERED

- Cylinder drive gearcase
- 5-speed feeder house transmission
- Reverser gearcase
- All parts contained inside of any of these components.

### FACTORY REAR WHEEL DRIVE ASSIST COMPONENTS COVERED

- Hydraulic drive motors
- Drive shafts and planetaries of factory installed John Deere rear wheel drive assist units.

### POWERTRAIN COMPONENTS NOT COVERED

- Steering cylinders
- Brake assemblies
- Leveling assemblies
- External linkages
- Pipes and hoses
- Rims, tires and tubes
- Rubber tracks (track driven)
- Idlers (track driven)
- Mid rollers (track driven)
- Drive wheels (track driven)
- Track tensioning parts (track driven)
- Transfer gear case (track driven)

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**$500 DEDUCTIBLE APPLIES PER COVERED EVENT.**

(A COVERED EVENT IS ALL REPAIR WORK IN A SINGLE WORK ORDER COVERED BY POWERGARD ON ALL CONTRACTS WRITTEN ON/AFTER 8/1/03 FOR ALL HARVESTING EQUIPMENT.)
**POWERGARD PROTECTION PLAN - COMBINES**

*“COMPREHENSIVE” FULL MACHINE COVERAGE*

All components of the John Deere Combine are covered under the “Comprehensive”-Full Machine Coverage form, except the following:

**COMPONENTS NOT COVERED**

- Rubber Tires/Tracks, Hoses, Seals, Belts
- Radios
- Batteries
- Header and/or Attachments
- AMS Components/Systems:
  - Receivers
  - Displays
  - Processors
  - Sensors & Monitors
  - Software, data storage/key cards
- Wear Items (same as basic warranty)
- Maintenance Items

$250 DEDUCTIBLE APPLIES PER COVERED EVENT FOR COMPREHENSIVE COVERAGE FORM - COMBINES.

(A covered event is all repair work in a single work order covered by PowerGard on all contracts written on/after 8/1/03 for all Harvesting Equipment.)

**POWERGARD PROTECTION – CONTRACT FORMS**

*Note:* To see the details of what is (and is not) covered, limitations & exclusions for either the Limited and Comprehensive Coverage Forms, go to the “Contract Forms” section of the Combine home page and click on the individual contract form PDF links in the right navigation panel!
THE STEPS TO “CERTIFY”

For Plan B on used, out of warranty, dealer inventory Combines and Harvesters, follow these steps to certify units. Note: For new (in warranty) combines in the Delayed Purchase Period, when purchasing Comprehensive (full machine) coverage, certification is also required.

1. ORDER TEST KIT - #DKGA2019 (FOR US) / #DKGA2019CAN (FOR CA) $88USD
   The kit includes all of the necessary inspection forms and fluid testing materials. ALL cost INCLUDE SHIPPING (to you) and FLUID TESTING and analysis. Order these kits through the JD POINT parts system.
   Completion of Step 2 and 5 will take approximately an hour to conduct for PG Certified.

2. PULL FLUID SAMPLES
   Pull fluid samples from the engine, transmission/hydraulic, and coolant, and then place each of the Bellows® into the plastic bags provided in the kits. Be sure to operate the unit for at least 15 minutes prior to pulling all fluids, to ensure the sample is representative of the entire lubrication systems being tested. Also, test only existing fluids in the unit (whether the unit is in warranty, or on used trade-in units out of basic warranty) prior to any fluid changes.

3. SUBMIT FLUID SAMPLES
   Place the Part A (form for details on the dealer, equipment, fluids, etc.) along with fluid samples into the self-addressed 2-day air postage paid envelope and mail to Analyst, Inc. in Hoffman Estates, IL. In cases where documents need to be send to the PowerGard Protection Dept, you can fax those to: (309) 748-5021.

4. REVIEW TEST RESULTS
   The entire fluid testing process will take 5 to 10 working days, from the time the samples are taken until the results are received from the Analyst lab.
   Note: Analysts, Inc. will...
   - Respond by phone or fax for abnormal or critical results only.
   - Mail all fluid test results to the dealership for their records.

   Have a qualified technician review the results and complete any corrective actions.
   Possible fluid test results:
   - Normal - considered acceptable for "certification."
   - Monitor - considered acceptable, re-sampling is recommended.
   - Abnormal - should be analyzed closely by a technician with special attention to details provided in the analysis, corrective actions are required in many cases.
   - Critical - should be analyzed closely by a technician and considered a failure in the certification process. [No PowerGard Extended Warranty should be offered.]

5. COMPLETE INSPECTION FORM – CAN BE FOUND IN MACHINE FINDER PRO
   Complete the appropriate Inspection/Certification form Part A (for equipment, dealer, fluid details which is contained in the test kits). The combine must pass the visual and mechanical inspection in all areas displayed Inspection Forms (short version for Limited PPP) in Machine Finder Pro. The long version of the Inspection Form must be completed when seeking Comprehensive PPP coverage or on CPO units, Indicate the completed repair date of any repairs that were needed during inspection.

6. PURCHASE CONTRACT OR PROMOTE “CERTIFICATION”
   After the combine or cotton harvester has passed “certification”, and is Approved, purchase the contract. If conducting “certification” to promote eligibility for Plan B, place a “PG Certified” or “CPO” decal on the used combine (or cotton picker/stripper for PG Certified).
**QUOTING A PRICE FOR **PowerGard

**INTRANET CALCULATOR**

This is a quick and easy way to quote the *PowerGard* Protection Plan without having to first process a delivery receipt. Our web site is linked from John Deere A&T Dealer Path (Sales) under “*PowerGard Protection*” or enter our direct URL:


**You can also generate PPP Pricing Pages** for any coverage type, and for ALL plan term options for each equipment type, and price model group/specific model within the PPP calculators!

Purchasing *PowerGard* is easy for your customer. Financing can be done through various methods, including cash sales, John Deere Financial, Farm Plan, Ag Line, or other financing methods.
DETERMINE THE COST OF **PowerGard**
The cost of the product varies based on the following risk/coverage characteristics:

1. PPP Rate Structures – dependent upon claim experience/costs and future risk
2. Model Number – and which Price Model Group it belongs within
3. Coverage Type (Limited or Comprehensive)
4. Time/Hour Limit of Coverage selected (Plan Term chosen)
5. Engine hours currently on the equipment, time left on warranty (Plan A in grace vs. delayed @ the +40% surcharge to the base rates; or Plan B for used units are priced by individual hour bands)
6. If the machine falls within basic warranty (Plan A) or beyond basic warranty in dealer inventory held for sale (Plan B)
7. Dealer Mark-Up:
   - We suggest a 25% mark-up from the dealer based cost.
PROCESSING A **POWERGARD** CONTRACT

All *PowerGard* Protection Plan contracts must be entered via the PowerGard Protection Plan Contract Purchase applications when they are sold to be valid. Verbal quotes and handwritten schedules of coverage will not be honored unless entered in the PPP Contract Purchase application within program parameters.


❖ **NOTE:** Any sold PG contracts, which are NOT successfully registered in the PowerGard Protection Contract Purchase application, with payment of the MDP cost to Deere & Company, will be the selling dealer’s responsibility.

**PROCESSING**

To purchase a *PowerGard* Protection Plan contract, go to the SALES or SERVICE section of Dealer Path. There you will find the link to the PowerGard Protection Home Page. Perform the following steps:

- Select the “Purchase Contract” link on the PowerGard Protection Home Page (right hand navigation panel).
- Enter the PIN number of the eligible machine
- Answer basic questions on customer, dealership number, hour meter reading, coverage form (Limited – engine & powertrain or Comprehensive – full machine), etc.
- Select the eligible time/hour option and plan desired by the customer and purchase on-line.
- The screen will then show all of the detailed information on the customer, responsible dealership, PowerGard Protection terms chosen, beginning and ending dates and hours of the plans, and the dealer base cost (reference number). Check the information on the screen carefully.
- The question “Do you wish to purchase this contract?” will appear on the bottom, which will require you to answer by clicking “Next”, or “Cancel”, or Back”.
- You should then receive a note stating “Purchase Was Successful”. Click “Next” to complete and close the document for the contract purchase.
- You will also be giving the chance to “Print Schedule” which will allow for a “proof of purchase/registration” type of summary document (to keep for your or your customers records).
- If you have any questions, please contact us at 1-866-866-1212, [Options 1, 2, (and then your country/branch area of support)] for assistance.

Whether Plan A or Plan B *PowerGard* Protection Plan is processed, a certificate card along with the *PowerGard* Protection terms will be sent to the purchaser within two weeks (see next page for examples of Plan A and B certificate cards) from Deere & Company in Moline IL.

❖ All Plan B contracts (for combines, sprayers and cotton harvesters) must be entered in the PG Contract Purchase application in the PowerGard Protection Home Page within 15 days of delivery receipt date.
POWERGARD PROTECTION PLAN CERTIFICATE CARDS

The following certificate card, along with the PowerGard Protection terms, will be issued to the customer within approximately 30 days of contract processing.

Front of card

PowerGard Protection Plan Certificate

<table>
<thead>
<tr>
<th>Machine Data</th>
<th>Protection Plan Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>PIN</td>
</tr>
</tbody>
</table>

The John Deere PowerGard Protection Plan is an extended warranty on select covered components providing reimbursement for parts and labor (less any applicable deductible) for failures or breakdowns that occur beyond the John Deere Basic Warranty on John Deere equipment.

Selling Dealer Name and Phone Number:

Customer Information: SAMPLE CARD ONLY!!

Important Notices:

- All deductibles are applied per covered work order.
- [For Tractors Only] Tractor Lease Terms ____ Yes ____ No
- Commercial Scraper Applications ____ Yes ____ No

See the reverse side of this certificate for more details, and reference the actual PowerGard Protection contract for all terms, conditions and limitations.

[ Back of card ]

IMPORTANT NOTICE TO PURCHASER

The PowerGard Protection Plan only applies to covered components of Covered Equipment, which is specifically described in the Schedule Of Coverage and subject to the terms, conditions, and limitations set forth in the PowerGard Protection Plan.

Throughout the PowerGard Protection Plan, the terms “you” and “your” refer to the purchaser of the PowerGard Protection Plan. The terms “we,” “us,” and “our” refer to John Deere. (” With respect to purchasers in Canada, John Deere means John Deere Limited, 295 Hunter Road, P.O. Box 1000, Grimsby, Ontario, L3M 4H5. With respect to purchasers in the United States, except for the specific states identified below**, John Deere means John Deere Warranty Inc, One John Deere Place, Moline, Illinois, 61265-8098.)

Read the PowerGard Protection Plan carefully. Your rights and remedies under the PowerGard Protection Plan are limited as indicated below. The coverage term selected below may be terminated prior to expiration under the provisions of Paragraph F. of the PowerGard Protection Plan. Where permitted by law, JOHN DEERE products carry no implied warranty of merchantability or fitness. The PowerGard Protection Plan is not insurance.

** For purchasers in GA and NY John Deere means Deere & Company, One John Deere Place, Moline, Illinois, 61265-8098.

This PowerGard Certificate Card serves as your proof of protection for the equipment scheduled on the reverse side. All coverage, terms, and conditions applicable to the covered equipment and components are determined by the actual PowerGard Protection Plan agreement. All repair work covered by the PowerGard Protection Plan must be performed by an authorized John Deere dealership in order for proper coverage determination and reimbursement under this protection plan. PowerGard Protection is transferable to all subsequent owners. All questions and inquiries should be directed to an authorized John Deere dealership, or call toll free 1-866-993-3373.
Purchasers of *PowerGard* Protection Plan B (for used, out of warranty units) should be instructed to take their equipment back to the selling dealer if repairs are needed within the first 30 days/50 operating hours after buying *PowerGard*. Any covered event in this period is the responsibility of the selling inspecting/certifying dealer.

1. **Gather Information**
   Each covered event *(all work required due to a single failure or breakdown)* should be submitted on a separate work order.

2. **Submit Claims**
   All *PowerGard* claims for repairs must be electronically submitted in the JD Warranty System same as a normal basic warranty claim. Refer to the *PowerGard* contract for complete terms and details of the plan.
   - Requests for delay in submitting claims will only be allowed in situations where required repair parts are on backorder (or other similar circumstances).

3. **Processing of Claims**
   All claims reviewed within 24 hours and most settled/posted within 48 hours.

4. **Deductible Applied**
   A separate deductible will apply to each covered event (per work order) regardless of how it is submitted. The $500 deductible should be paid by the equipment owner on all covered events/work orders.

   For *PowerGard* Protection, a covered event is all repairs covered under *PowerGard* and the deductible *is applied per work order/repair visit*.

5. **Final Adjustments Made**
   Once the claim is approved, the credit issued to the dealer electronically will be the approved amount less the applicable deductible.

   Dealers will be credited for parts costs at John Deere’s list price. Labor will be reimbursed at their retail labor rate times the reasonable number of hours established for the repair. Flat Rate/Service Pricing Guide times and prior claims statistics will be utilized to determine reasonable time frames for labor.

**NOTE:**

*All PowerGard Protection contracts written on/after 9/1/07, also provide for Reasonable Diagnostic Time reimbursement to the dealership and pricing has been adjusted to reflect this change.*

- It is the customer's responsibility to provide timely notification of needed repairs and have their equipment available for repair when such need is known in advance of the protection plan termination.
ADVANTAGES OF **PowerGard Protection Plan**

- No pre-approval process for repair work
- Any authorized Deere dealer can perform the repairs and submit claims
- Experienced Deere claims adjusters, who know the equipment, process the claims
- Provides extensive parts and labor coverage, which minimizes the customer’s total out-of-pocket expenses

**COMMON CLAIM SITUATIONS**

In order to assist you during the sales process and enable you to better pre-determine what potential claims are payable, it is helpful to know and understand common failures. Breakdowns and claim situations that are approved as well as denied are listed below.

**COMMON APPROVED CLAIM SITUATIONS**

Parts and labor to replace...

- malfunctioning fuel injectors
- broken piston rings
- final drive / engine failures
- broken exhaust valve and repair head damage
- broken timing chain
- failed water pump

**COMMON DENIED CLAIM SITUATIONS**

- Claim submitted on a “non-covered” part
- Damage to a “covered part” caused by failure of a named “non-covered”/excluded part
- Wear and tear situations (wear parts on harvesting equipment)
- Damage resulting from abuse/misuse/unapproved modifications
- Damage that are insurance related perils (flood, lighting, fire, vandalism, collision, etc.)
- Parts and labor for routine maintenance items (oil/oil filter change-fuel filters, air filters)

**COVERED PART REPLACEMENT GUIDELINES**

The following guidelines apply to all PowerGard claims. If you feel the situation merits consideration outside of these guidelines, discuss and obtain prior approval from the Warranty & PowerGard Claims Unit at **1-866-866-1212**

- If the repair of a failed component leads to the identification of other worn (but non-failed) parts not directly related to the repair, the replacement of those non-failed parts is the customer’s responsibility. **PowerGard** coverage terms do not apply to reconditioning. Replacing serviceable or re-usable parts is not covered by **PowerGard**.

- The decision to repair or replace a component should be made on the basis of the lowest cost alternative. This applies to all components such as, but not limited to, fuel injection pumps or the water pump.

- If any outside labor and/or materials is used in the completion of a qualified repair, a description of the charges, such as work performed, supplier, and cost incurred must be typed in the Other Credit field of the claim. Reimbursement for outside labor and materials will be at the actual cost figures.
1. **Offer PowerGard Up Front.** *PowerGard* should always be presented before the total deal is finalized. Your chances of selling *PowerGard* are much greater at the time of the sale.

2. **Include PowerGard Costs in Customer’s Payments.** Whenever possible, the final price should be quoted including *PowerGard* costs. It is more difficult to sell additional products or protection after the customer has agreed to certain payments or total cost of the combine.

3. **Display PowerGard Costs to Show Affordability.** When presenting the cost of the Protection Plan, break down the cost to a measure the customer can best relate. (Example: A 36 months/2000 hours *PowerGard* contract on a new S680 combine is $3,558 (LIST). Break the cost down into hours, which would be $2.66 for each additional hour of protection beyond the basic warranty (est. @ 1,335 hours).

4. **Sell the Protection as Value-Added.** Always build value first. Describe and present the *PowerGard* Protection Plan before you talk about the cost. Tell the customer that John Deere and your dealership are able to offer their customers the option of additional warranty protection that fits their unique needs. Deere and their authorized dealers can better take care of their customer’s equipment should they experience a failure or breakdown and only genuine JD Parts will be used.

5. **Use Visual Aids in Your Sales Process.** Since *PowerGard* protection is an intangible product it is important to use marketing and promotional items during the sales process to increase customer awareness. Failure to use visual aids can reduce sales by as much as 50%. Use items such as the *PowerGard* product brochures, Certification/Inspection Forms, and “certified” window clings.

6. **Indicate Whether PowerGard Was Accepted or Rejected on the Purchase Order.** Make sure to check either the “yes” or “no” box on the customer’s purchase order. This assures that *PowerGard* Protection Plan will get offered at every sale.

7. **Utilize the PowerGard Protection Plan Rejection Form.**
   If a customer declines to purchase *PowerGard* Protection, use the *PowerGard* Protection Plan Rejection Form. This assures your dealership that you will not absorb repair costs on harvesting equipment that were not sold with *PowerGard* Protection. (See the following page. Use it to make copies.)

8. **Paid by PowerGard “Stamp.”** When customers who have purchased *PowerGard* bring their equipment in for repair on a covered part, show them the value of having purchased *PowerGard*. Fill out a repair order showing the work that was completed and associated price for each repair. Then, write, “**PAID by PowerGard Protection Plan**” on the repair order so they can SEE that their *PowerGard* purchase was a good decision. You could also use these “stamped” repair orders to show future customers the value of *PowerGard*. 
POWERGARD PROTECTION PLAN
CUSTOMER REJECTION FORM

Customer Name: _______________________________________________________

Customer Address: ____________________________________________________

Equipment Make/Model: ___________________________ Pin#_________________

Date of Equipment Purchase: ___/___/___ Date PowerGard Rejected: ___/___/___

I have been offered the coverage options available on the equipment listed above provided through the PowerGard Protection Plan. I understand the general terms and conditions of the protection offered in the PowerGard Protection Plan, and have chosen not to purchase any extension options beyond the protection provided by the John Deere basic warranty.

With my signature below, I waive any possible rights or claims on warranty related repairs or items once my equipment (listed above) is beyond the original warranty protection in the John Deere basic warranty, in either time or operating hours.

_________________________                _______________________
Customer Signature                          Dealership Representative Signature
Fax this to (309) 748-5021 to enroll in the PowerGard Program.
YOU ONLY NEED TO SUBMIT THIS FORM ONCE.

POWERGARD PROTECTION PLAN
DEALER ACKNOWLEDGEMENT

Marketing Unit #_________ Dealer #_____________________

I, ______________________________________ of ____________________________

(Authorized dealer or representative) (Dealership name)

have read the instructions, overviews, terms and conditions of both the PowerGard Protection Plan contract and the PowerGard Protection Plan Administration Manual, and fully understand the dealership duties and responsibilities of this program. I also understand that should my dealership participate in this program and fail to abide by the rules and guidelines pertaining to the PowerGard Protection Plan as set forth in this and any other administrative manual, this program can be terminated and made unavailable to my dealership (including those listed below), by Deere & Company.

Signature:_________________________ Date:__________________________

_________________________________________ #_____________________
(Dealership name and dealership number)

_________________________________________ #_____________________
(Dealership name and dealership number)

_________________________________________ #_____________________
(Dealership name and dealership number)

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(Dealership name and dealership number)

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