



August 1, 2019

To: All U.S. John Deere Agriculture and Turf dealers, and all U.S. John Deere Construction and Forestry dealers

Re: UltraGard<sup>®</sup> physical damage insurance rates are changing

We want to let you know that UltraGard rates are changing—effective August 1, 2019. Any John Deere Financial finance contract written with a date of August 1, 2019, or after must use the new rates. The only exception is New York, where our new rates are effective September 1, 2019.

The overall rate adjustment is +8.4 percent. The change by machine group is:

- Cotton harvesting                No change
- All other construction        +15 percent
- All other classifications       +7.5 percent

We haven't adjusted our UltraGard rates since September 2012. This rate increase reflects the impact of increased equipment repair costs. Plus, we've experienced more construction equipment type losses than we expected.

Please be assured that our rates remain competitive with this change—about a tenth of a percent in the monthly loan payment for a tractor and a half-percent in the monthly loan payment for a combine, skid steer, or excavator (assuming a 60-month note and zero percent interest). To illustrate this, we've included some examples on the following page.

If you're not sure where to place certain types of equipment when quoting UltraGard coverage, we've defined all equipment types within the machine group definitions on our UltraGard insurance calculator. Just visit the Dealer Path website or [ultragard.getgard.com](http://ultragard.getgard.com) and click Help.

As a John Deere dealer, you can earn commission on UltraGard written premiums if they're properly licensed and appointed by Sentry Insurance.

Please share this information with your staff at all locations so your entire organization is informed of the new and revised rates. If you have questions or need licensing information, call 877-782-6873.

Thank you for your continued commitment to UltraGard physical damage protection.

# UltraGard rate change examples— effective August 1, 2019

## UTILITY TRACTOR – 6120M (TEXAS)

- Cost new: \$109,000
- Current (60-month note, 0% interest)
  - Insurance premium (60-month note): \$1,581
  - Total cost (equipment and insurance): \$110,581
  - Monthly cost (equipment and insurance): **\$1,843**
- 7.5% increase (60-month note, 0% interest)
  - Insurance premium (60-month note): \$1,700
  - Total cost (equipment and insurance): \$110,700
  - Monthly cost (equipment and insurance): **\$1,845**
- Monthly increase:
  - Dollars: **\$2**
  - Percent: 0.11%

## COMBINE – S780 (KANSAS)

- Cost new: \$520,000
- Current (60-month note, 0% interest)
  - Insurance premium (60-month note): \$34,840
  - Total cost (equipment and insurance): \$554,840
  - Monthly cost (equipment and insurance): **\$9,247**
- 7.5% increase (60-month note, 0% interest)
  - Insurance premium (60-month note): \$37,453
  - Total cost (equipment and insurance): \$557,453
  - Monthly cost (equipment and insurance): **\$9,291**
- Monthly increase:
  - Dollars: **\$44**
  - Percent: 0.48%

## SKID STEER – 332G (COUNTRYWIDE)

- Cost new: \$78,000
- Current (60-month note, 0% interest)
  - Insurance premium (60-month note): \$2,652
  - Total cost (equipment and insurance): \$80,652
  - Monthly cost (equipment and insurance): **\$1,344**
- 7.5% increase (60-month note, 0% interest)
  - Insurance premium (60-month note): \$3,050
  - Total cost (equipment and insurance): \$81,050
  - Monthly cost (equipment and insurance): **\$1,351**
- Monthly increase:
  - Dollars: **\$7**
  - Percent: 0.52%

## EXCAVATOR – 210G (COUNTRYWIDE)

- Cost new: \$217,000
- Current (60-month note, 0% interest)
  - Insurance premium (60-month note): \$7,378
  - Total cost (equipment and insurance): \$224,378
  - Monthly cost (equipment and insurance): **\$3,740**
- 7.5% increase (60-month note, 0% interest)
  - Insurance premium (60-month note): \$8,485
  - Total cost (equipment and insurance): \$225,485
  - Monthly cost (equipment and insurance): **\$3,758**
- Monthly increase:
  - Dollars: **\$18**
  - Percent: 0.48%

**For information on sales tips, ordering brochures, licensing, or training for our UltraGard equipment physical damage program, please contact us at 877-782-6873 or [equipmentinsurance@sentry.com](mailto:equipmentinsurance@sentry.com).**