

CERTIFICATE OF COVERAGE - ULTRAGARD PHYSICAL DAMAGE INSURANCE

UltraGard: The Ultimate in Physical Damage Protection!

This certifies that the equipment with an amount shown as "INSURANCE PREMIUM" on the accompanying schedule, for which Deere & Company, **Deere Credit Inc.**, or **John Deere Construction & Forestry Company** (collectively referred to as John Deere Financial) holds the borrower's, purchaser's, or lessee's (the certificate holder's) contract, with the number shown above, is insured under a policy of physical damage insurance issued by **Sentry Select Insurance Company** (a stock company), Stevens Point Wisconsin, insuring John Deere Financial's interest, the John Deere dealer's interest and the certificate holder's interest in covered property except as provided elsewhere in this certificate. The insurance shall begin on the earlier of the "INSURANCE EFFECTIVE DATE" in the schedule or date certificate holder takes possession of the covered property and shall terminate, without additional notice when the first of the following occur: (1) Certificate holder's indebtedness to John Deere Financial is discharged (unless certificate holder continues voluntary payments, acceptable to John Deere Financial and us outside bankruptcy) or early termination of the lease agreement; (2) John Deere Financial's security interest in covered property terminates; (3) John Deere Financial or John Deere Financial's designee repossesses covered property; (4) A judgment is entered against the certificate holder on the certificate holder's debt or lease, in favor of John Deere Financial, its assigns or successors; or (5) The "INSURANCE EXPIRATION DATE" shown in the note or lease acceptance form.

This Certificate of Coverage is not a contract of insurance, does not affirmatively or negatively amend, extend or alter the coverage provided by the policy described above and John Deere Financial is not acting as an insurer. The rights of the certificate holder are described in the Certificate of Coverage and based on the policy indicated above issued by **Sentry Select Insurance Company** (we, us, or our). Certificate holder may request from us, in writing, a copy of the policy on which this certificate is based or view at Deere & Company, 1 John Deere Place Moline Illinois. In the case of loss or damage to covered equipment from a covered cause of loss, the certificate holder must notify **Sentry Select Insurance Company** as soon as practicable by calling toll free (800) 373-6879. Certificate holder will cooperate with **Sentry Select Insurance Company** and comply with all Duties In The Event Of Loss Or Damage, including filing of a completed sworn Proof of Loss within 60 days of our request. Failure to do so will void coverage for the certificate holder's interest in the damaged covered property under this policy.

THE FOLLOWING POLICY TERMS DO NOT APPLY UNLESS a certificate of coverage *UltraGard* physical damage insurance applies and an insurance premium has been paid. This insurance does not apply to repair or overhaul loan contracts.

WARNING: Purchasing this coverage may void or limit other insurance such as a homeowners, farmowners, fire or inland marine policy covering your contents. Please read any such policies you have.

THE CERTIFICATE OF COVERAGE HOLDER HAS 15 DAYS FROM THE DATE THE CERTIFICATE OF COVERAGE IS RECEIVED TO RETURN IT AND CANCEL COVERAGE WITHOUT EARNED PREMIUM. Making a claim for loss or damage to covered property during this 15 day review period shall mean this coverage has been accepted.

The following is a brief summary of the coverages provided under the physical damage coverage provided by **Sentry Select Insurance Company**.

COVERAGE

Coverage is provided for the equipment, listed as **SECURITY** on the front of this contract, for loss or damage from a covered cause of loss. Covered causes of loss means risk of direct physical loss or damage except as excluded below.

If **SECURITY** INCLUDES software programs (such as AutoTrack) for Greenstar, similar GPS systems, or the control system, and you have a loss to the program due to direct physical loss or damage to the Greenstar, GPS system, receiver or control module from a covered cause of loss, and the serial number or other identification number of those systems has been lost or destroyed preventing accurate identification of the covered unit, we will pay the subscription cost to download the replacement described software.

EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributed concurrently or in any sequence to the loss or damage from a single event: (a) Seizure or destruction of property by order of governmental authority. But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Policy. (b) Any weapon employing atomic fission or fusion; or nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct loss caused by resulting fire if the fire would be covered under this Policy. (c) War, including undeclared or civil war; warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
2. We will not pay for a loss or damage caused by or resulting from any one of the following: (a) Delay, loss of use, loss of market, or, except as indicated in the Coverage paragraph, any other consequential loss. (b) Unexplained disappearance (except property in the custody of carriers for hire) or shortage found upon taking inventory. (c) Wrongful conversion or other dishonest acts by the certificate holder, certificate holder's employees, or authorized representatives; anyone else with an interest in the property or their employees or authorized representatives; or anyone else to whom the property is entrusted, except carriers for hire. This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment. (d) Voluntary parting with any property by the certificate holder, or anyone else entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense. (e) Collision, upset or overturn of covered property to the extent of any loss or damage to the wheels, rims, inner tubes, tires, or rubber tracks of covered property. But, we will pay for loss or damage to wheels, rims, inner tubes, tires, or rubber tracks if the same accident causes other covered loss or damage to the same piece of covered property.
3. We shall not pay for a loss or damage caused by or resulting from any of the following. But if loss or damage by a covered cause of loss results, we will pay for that resulting loss or damage: (a) Faulty material or faulty workmanship in repairing, adjusting, servicing or maintenance operations. (b) Normal wear and tear, hidden or latent defect, gradual deterioration, depreciation, mechanical breakdown, corrosion, rust or dampness. (c) Overheating or freezing of any mechanical system except while in the custody of a carrier for hire.

DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage exceeds the deductible. For cotton pickers, and for cotton stripper models that separate, collect, bale, or off-load cotton, the deductible for loss or damage from fire is the larger of \$5,000 or 3% of the purchase price (prior to trade in or other allowances), and \$5,000 for other covered causes of loss. For other covered property the deductible is based on use at the time of the loss and is \$500 for agricultural use or \$1,000 for commercial or industrial use. We will pay the amount of the adjusted loss in excess of the deductible up to the maximum recovery under the **Valuation** section of this certificate.

VALUATION

The most we will pay for loss or damage to covered property, determined at the time of loss, will be the lesser of the following amounts: **(a)** The actual cash value of that property. Actual cash value means the amount, at the time of loss or damage, that it would cost to repair or replace covered property with material of like kind and quality less allowance for physical deterioration and depreciation, including obsolescence. **(b)** The cost of reasonably restoring that property to its condition immediately before loss or damage or replacing the equipment with substantially identical equipment. **(c)** The original selling or lease price of covered property or the stated value of equipment used as additional collateral.

Any of the certificate holder's, John Deere Financial's, the certificate holder's John Deere dealer's or our acts in recovering, saving, and preserving the covered property shall be considered as done for the benefit of all concerned and without prejudice to the rights of any party. Any expenses for such acts shall be recoverable under this policy provided such costs are reasonable and customary.

In the event of loss or damage to any part of a pair or set, we may repair or replace any part to restore the pair or set to its value before the loss or damage or pay the difference between the value of the pair or set before and after the loss. In the case of loss or damage to any part of covered property consisting of multiple parts, we will only pay the value for the lost or damaged part.

APPRAISAL

If we and the certificate holder, John Deere Financial, or the certificate holder's John Deere dealer disagree on the value of the covered property or the amount of the loss or damage, any of the listed parties may make a written demand for an appraisal. In this event, each party will select a competent and impartial appraiser. The appraisers will then select an umpire. If they cannot agree, any of the listed parties may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and the amount of the loss or damage. If they fail to agree, they will submit their differences to the umpire. The decision of the umpire will be binding to all parties. Each party will pay its chosen appraiser and bear the other expenses of the appraisal and umpire equally. If there is an appraisal, we will still retain our right to deny the claim. For Nebraska certificate holders, all parties must agree to appraisal. For South Dakota certificate holders, no party may demand an appraisal, and even if performed as agreed by all parties, the outcome and result is nonbinding.

DUTIES IN THE EVENT OF LOSS OR DAMAGE

In addition to the duties outlined in the front of this Certificate of Coverage, in the event of loss or damage to covered property, the certificate holder must also: **(a)** Notify the police if a law may have been broken; **(b)** Give us a description of covered property involved as well as how, when, and where the loss or damage occurred; and **(c)** Permit us to inspect the property and records proving the loss or damage. **(d)** Send us, as soon as practicable, any legal papers or notices received concerning the loss or damage; **(e)** Take reasonable steps to protect covered property from further damage and if possible separate damaged property and keep in good order for examination; **(f)** Permit us to question certificate holder under oath about the claim, including reviewing certificate holder's books and records, as may be reasonably required. Certificate holder's answers must be signed.

CONCEALMENT, MISREPRESENTATION OR FRAUD

Coverage for the certificate holder under this Certificate of Coverage is void in the case of fraud or if the certificate holder intentionally conceals or misrepresents a material fact at any time concerning the coverage provided, covered property, holder's interest in the covered property, or a claim presented under this Certificate of Coverage. For Vermont certificate holders, we may not void coverage, however, may use as a basis to deny the claim or cancel the certificate. This condition does not apply to Nebraska certificate holders.

OTHER INSURANCE

If the certificate holder has any other insurance coverage for the property covered by this Certificate of Coverage, this coverage will apply in excess of the other collectible insurance. (Does not apply to Illinois certificate holders where we will share proportionally with the other insurance)

LEGAL ACTION AGAINST US

No one may bring a legal action against us under this policy unless there has been full compliance with the terms of this policy. The certificate holder must bring any legal action within one year, or the shortest time required by state law, from the date of the loss or damage. For Illinois certificate holders, the time in which suit may be brought is extended by the number of days between date proof of loss is filed and the date the claim is denied in whole or in part. For South Dakota certificate holders, the first sentence of this paragraph does not apply and the second sentence is revised to allow 6 years for legal action. For Vermont certificate holders, the right to bring legal action against us is not conditioned upon your compliance with the provisions of the Appraisal Condition.

LOSS PAYMENT

We will pay for or make good any loss or damage covered under the policy within 30 days (10 working days for Vermont and 15 working days for West Virginia) after **(a)** Agreement has been reached on the amount of loss or damage; **(b)** The entry of a final judgment; or **(c)** The filing of an appraisal award. We will not be liable for any part of a loss or damage that has been paid or is made good by others. If we are covering the certificate holder's interest in covered property, we will adjust the loss with the certificate holder. We will pay any claim for loss or damage, at John Deere Financial's option, to John Deere Financial, for the account of all parties with a covered interest in covered property, or to the certificate holder and the repair facility.

CANCELLATION

The certificate holder may cancel their Certificate of Coverage by mailing or delivering to John Deere Financial a written request to cancel the Certificate of Coverage. If approved John Deere Financial will notify us. If the Certificate of Coverage is cancelled, as soon as practicable, we will send John Deere Financial any pro rata premium refund due for the account of the certificate holder. Cancellation will be effective even if we have not made or offered a refund.

TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss or damage to impair them.

REINSTATEMENT OF LIMITS AFTER LOSS OR DAMAGE

This coverage will not be reduced by the payment of any claim except for total loss to a piece of covered property, in which event we will refund the unearned premium on that item to John Deere Financial for the account of all interests. Total loss applies when the cost to repair or replace plus any salvage value exceeds the actual cash value, purchase or lease price, or stated value of covered property.

COVERAGE TERRITORY

Coverage only applies to covered property wherever located within or while in transit between locations in the United States of America or the Dominion of Canada.