

TRANE SALES PLAN

SALES PLAN #: SP643C
PROGRAM NAME: 2016 Fall National Consumer
Promotion, Trane Dealers - US
CHANNEL: DSO
PUBLICATION DATE: Version 1
OWNER: Julie Starnes

Trane Sales Plan



PURPOSE

This consumer program is intended to drive Trane sales growth above 2015 levels. Additionally, consumers can choose between strong financing offers OR trade-in allowances when they complete early, pre-season purchases of Trane high efficiency systems with a Nexia™ connected control.

CONSUMER OFFERS

Consumers will be able to select from either the financing offer or trade in allowance. The two offers are mutually exclusive, i.e., the finance offer may **not** be combined with the trade-in allowances.

OFFER 1: FINANCING

0% APR, 48 equal monthly payments required; or

- Dealers may offer 0% APR for 60 months: the difference in subsidy at Dealer's cost

Financing offers apply only to Trane Qualifying Equipment as listed in the chart found later in this document that are financed under the Trane/Wells Fargo program and will not apply to any incremental purchases/charges placed on The Home Projects® Visa ® card issued by Wells Fargo Financial National Bank.

-OR-

OFFER 2: TRADE IN ALLOWANCE(S)

Trade-in Allowance: Up to \$1000 on Qualifying Equipment

These offers cannot be combined with any other national Trane consumer offer.

EFFECTIVE PERIOD

Sales must be completed during the following time period: September 15 – November 15, 2016.

- Purchase/Sales Date/Wells Fargo Approval-Application: September 15 – November 15, 2016
- Installation/Funding from Wells Fargo: September 15 – November 30, 2016
- Submission via Trane Promotional Claim Center (TPCC): September 15 – December 15, 2016

Please note:

Claim submission in the TPCC must be completed within 30 days from the date of sale of the Qualifying Equipment to be eligible under this plan.

ELIGIBLE PARTICIPANTS

Participating DSO/IWDs (hereinafter referred to as “Distributor”) and their participating independent Trane Dealers are eligible to participate in this Plan.

- Participating independent Trane Dealers must have a signed 2016 Dealer Sales Agreement or other signed, current, and active Dealer Sales Agreement on file with the Distributor & be in good standing with the Distributor (hereinafter “Dealer”); and
- In order to offer the financing promotion, the Dealer must be enrolled and in good standing with Wells Fargo; and
- Residential homeowners must purchase Qualifying Equipment from a participating Dealer within the dates listed in the Effective Period; and
- All installations must be located in the United States.

QUALIFYING EQUIPMENT AND SALES

Only Qualifying Equipment as defined in this Sales Plan is eligible for any of the above-stated program options. All offers are based on product availability. No substitutions or exceptions will be granted.

- Two types of Qualifying Equipment exist under this Plan:
 - System (eligible Outdoor unit + matching Indoor unit + Nexia™ control as listed in the chart below)
 - Component (Furnace + Nexia™ Control **or** Package Unit + Nexia™ Control as listed in the chart below)
 - Ductless System (Outdoor + Indoor) as listed in the chart below

Please refer to the chart in this plan for specific Qualifying Equipment by model number.

- Four Nexia™ connected controls exist under this Plan:
 - TCONT624AS42DA
 - TCONT824AS52DA
 - TCONT850AC52UA
 - TZONE950AC52ZA
- Dealer sales to a builder without a direct homeowner purchase at the time of sale are not eligible under this plan.
- This offer is not valid on installations for commercial purposes. Qualifying equipment must be installed at a residence.
- Must be residential equipment. Commercial equipment does not qualify.
- This specific sales plan excludes Lowe’s sales.
- Substitutions using American Standard components are not allowed and will not be reimbursed.

Trane Qualifying Equipment: Eligible System Combinations for 2016 Fall Promotion								
Trade-In Allowance	Outdoor Unit		Indoor Unit			Air Handler(s)	Required Control	
\$1,000	XV20i System 4TTV0; 4TWW0	+	S Series* XC95(m) XC80 S9V2 TUHM; TDHM TUD2-C; TDD2-C	OR	TAM8	+	Trane Nexia™ Control**	
\$600	XV18 System 4TTV8; 4TWW8		S Series* XC95(m) XC80 S9V2 TUHM; TDHM TUD2-C; TDD2-C					TAM8
\$500	XL18i System 4TTX8; 4TWX8		S Series XC95(m) XC80 XV80 S9V2 TUHM; TDHM TUD2-C; TDD2-C TUD2-V; TDD2-V					TAM8; TAM7; GAM5, TEM6
\$300	XL16i System 4TTX6; 4TWX6		S Series XC95(m) XC80 XT80 XT95 XV80 S9V2 TUHM; TDHM TUD2-C; TDD2-C TUD1-H; TDD1-H TUH1-H; TDH1-H TUD2-V; TDD2-V					TAM8; TAM7; GAM5, TEM6
\$450	XR17 System 4TTR7; 4TWR7		S Series XC95(m) XC80 XV80 S9V2 TUHM; TDHM TUD2-C; TDD2-C TUD2-V; TDD2-V					TAM8; TAM7; GAM5, TEM6
\$250	XR16 System 4TTR6; 4TWR6		S Series XC95(m) XC80 XT80 XT95 XV80 S9V2 TUHM; TDHM TUD2-C; TDD2-C TUD1-H; TDD1-H TUH1-H; TDH1-H TUD2-V; TDD2-V					TAM8; TAM7; GAM5; TAM4; GAF2; TEM6
	Ductless Outdoor		Ductless Indoor				Required Control	
<i>Must combine Outdoor and Indoor Ductless to be eligible for allowance or special financing.</i>								
\$100	16 SEER Mini-Splits 4TYK6/4TYK16; 4TXK6/4TXK16		4MYW6/4MYW16; 4MXW6/4MXW16				N/A	
\$100	18 SEER Mini-Splits 4TXK8		4MXW8					
\$150	16/18 SEER Multi-Splits 4TXM6		4MXW8; 4MXC8, 4MXF8; 4MXD8; 4MXX8					
\$200	22/27 SEER Mini-Splits, Multi-Splits 4TXM22; 4TXK27		4MXW27; 4MXD8; 4MXF8; 4MXX8; 4MXC8					
Trane Qualifying Equipment: Eligible Components for 2016 Fall Promotion								
	Packaged Units		<i>Must combine Packaged System and Nexia™ control to be eligible for allowance or special financing.</i>				Required Control	
\$450	XL16c Packaged Units 4YCZ6; 4WCZ6; 4DCZ6	+				Trane Nexia™ Control**		
\$200	XL15c Packaged Units 4WCY5, 4YCY5, 4TCY5							
\$200	XL14c Packaged Units 4WCY4; 4YCY4; 4DCY4; 4TCY4							
	Furnace		<i>Must combine Furnace and Trane Nexia™ control to be eligible for allowance or special financing.</i>			Required Control		
\$250	XC95(m) TUHM; TDHM	+				Trane Nexia™ Control**		
\$200	S Series S9V2							
\$100	XT95 TUH1-H; TDH1-H							
Products are eligible based on availability and must be sold/installed/claimed during the promotion period. No substitutions or exceptions are allowed.								
Eligibility is based upon a Trane comfort system configuration and use of Trane products.								
The allowance or financing program for each eligible Trane system is listed above.								
* 4TTV0 and 4TTV8 requires BAY24VRPAC52DC Relay Panel + S9V2								
**Nexia™ controls are: TCONT624AS42DA, TCONT824AS52DA, TCONT850AC52UA, TZONE950AC52ZA								
Substitutions using American Standard components are not allowed and will not be reimbursed.								

ADVERTISING SUPPORT

To support this offer, **kitchen table sell sheets are available**. To download these, visit ComfortSite > Marketing Center> MAX > Info Center> Promotions.

To download Radio and TV Tags:

- Visit MAX > Info Center
- On the left side, find the category called ‘Promotions & Advertising’
- Select the subcategory under ‘Promotions & Advertising’ called ‘2016 Fall Promotion’. Tags will load on the right side. Click ‘Download’ for the tag you want to download.

To download Ad Images:

- Visit MAX > Image Library
- On the left side, find the category called ‘Ad Images’
- Select the subcategory under ‘Ad Images’ called ‘Promotional’. Images will load on the right. Click ‘Download’ for the image you want to download.

To download TV art cards:

- Visit MAX > Image Library
- On the left side, find the category called ‘TV Art Cards’
- Select the sub category called ‘Promotional’. Art Cards load on the right. Click ‘Download’ for the art card you want to download.

Newspaper and Direct Mail templates, billboards, and taggable banner ads can be found under ‘Create An Ad’, which is the first selection on the toolbar at the top in MAX (see below). Non-taggable banner ads can be found in the Image Library.



Search

- Advertising materials are available in a pre-written or customizable form through ComfortSite/Marketing Center/MAX.
- All advertising for this Plan must adhere to the guidelines defined herein and by the Distributor. Advertising that does not follow these guidelines will not be eligible for Trane funding.
- All advertising must include plan sales dates. This may be in the body of the ad or the disclaimer.
- Advertising that mentions any finance offer (i.e., 0% APR for 48 months) **MUST** include the appropriate disclaimer.
- **Dealers and Distributors are encouraged to use the pre-approval review process within MAX to ensure co-op eligibility prior to placing the advertisement.**

REGULATORY AND DISCLAIMER INFORMATION

*The instructions below are for reference only. **Please review the Wells Fargo advertising requirements on the Wells Fargo Online Resource Center.***

The instructions below are for reference only. Please review the Wells Fargo advertising requirements on the Wells Fargo Online Resource Center that can be found by visiting:

https://retailservices.wellsfargo.com/programs/df3080921/en_US/pdfs/advertising_requirements.pdf

REQUIREMENTS:

- Check your price sheet to make sure the promotion you're advertising is available.
- Use the correct disclosure. **All** mentions of financing require one.
 - Ads that use trigger terms (such as 0% or No interest) require the most disclosure.
- Make any disclosures and limitations of your offer clear and conspicuous to the customer
 - Minimum purchase or down payment: If you require either of these, you must incorporate it into the advertising mention
 - Expiration date: if the offer is not always available ensure you include an expiration date.
- Follow the minimum type size requirements for disclosures:
 - Print—8 point font
 - Digital—10 point font
- Do not use these words or phrases: Interest-free, Same as cash, As low as, Up to, Easy financing, No credit check.
- Avoid using the word “save;” there must be a clear separation between “save” and a financing offer.

GENERAL FINANCING PROMOTIONS (fewest requirements)

General financing promotions can be used anytime or when it's more practical due to space limitations.

1. Choose your general headline

- Examples:
 - Looking to pay over time? Special financing available.*
 - [XX] months special financing available*
 - Buy now, pay over time*
 - Financing that fits your budget*
 - Payments that fit your budget*

2. Add a general disclosure

- Choose one:
 - * Subject to credit approval. Ask for details.
 - * With approved credit. Call for details.

For online ads only; details shown one-click away:

- * Subject to credit approval. Click here for details.
- * With approved credit. Click here for details.

SPECIAL TERMS PROMOTIONS (full disclaimers required)

- When advertising specific financing promotions, full disclosures are required.
- Trigger Terms—words or phrases that prompt additional regulatory disclosures in the headline, subhead, and/or disclosure of the advertisement to clarify the credit costs and terms that are being promoted. Trigger terms to be aware of when promoting financing include, but are not limited to:
 - No Interest
 - Statement of interest, such as 0% or 9.90% APR

- Monthly payment amount

Special Rate, Equal Monthly Payments (like 24, 36, 48, 60 months) requires Headline + Full Disclosure

- 1) How this promotion works:
 - a. Customers make equal monthly payments with a 0% APR over a specified time period
 - b. 0% APR continues to apply until the qualifying purchases are paid in full
- 2) Headline examples
 - a. 0% APR for 48 Months*
 - b. No Interest for [X] Years*
- 3) Full disclosure required:
 - a. See your independent Trane Dealer for complete program eligibility, dates, details and restrictions. Special financing offers OR trade-in allowances from \$100 up to \$1,000 valid on qualifying equipment only. Offers vary by equipment. All sales must be to homeowners in the United States. Void where prohibited. *The Home Projects and Home Projects Visa® credit cards are issued by Wells Fargo Financial National Bank, an Equal Housing Lender. Special terms apply to qualifying purchases charged with approved credit. The special terms APR will continue to apply until all qualifying purchases are paid in full. The monthly payment for this purchase will be the amount that will pay for the purchase in full in equal payments during the promotional (special terms) period. The APR for Purchases will apply to certain fees such as a late payment fee or if you use the card for other transactions. For new accounts, the APR for Purchases is 28.99%. If you are charged interest in any billing cycle, the minimum interest charge will be \$1.00. If you have a Visa card and you use it for cash advances, the cash advance fee is 5.00% of the amount of the cash advance, but not less than \$10.00. This information is accurate as of 07/01/2016 and is subject to change. For current information, call us at 1-800-431-5921. Offer expires 11/15/2016.

For TV and Radio Only:

- 1) Eligible disclaimer:

See your independent Trane Dealer for details. Call 888-653-0051 for financing program details about credit costs and terms. Regular APR is 28.99% for newly opened accounts. APR may vary. Subject to credit approval. Offer expires 11/15/2016.

PROMOTIONS WITH TRADE-IN MENTION ONLY (no financing mention)

See your participating independent Trane Dealer or visit Trane.com for complete program eligibility, dates, details and restrictions. Available through participating independent Trane Dealers. Special trade-in allowances from \$100 up to \$1,000. All sales must be to homeowners in the United States. Void where prohibited. Valid on qualifying systems only. Offer expires 11/15/2016.

DEALER ADMINISTRATION NOTES/ADDITIONAL NOTES

- Validate Dealer information on ComfortSite.
- Offer **ALL** components of this offer to the consumer.
- Dealers **MUST** use the National Promotion Specific Plan Codes as identified in this Sales Plan when funding with Wells Fargo. Failure to utilize the appropriate Plan code may result in inappropriate funding/reimbursement and adjustments will not be accommodated post funding/claims.

1. 0% APR with 48 equal monthly payments
Plan code: 2847

OR

2. 0% APR with 60 equal monthly payments
Plan code: 2848

- Dealer agrees to be debited the discount rate in its entirety by Wells Fargo at the time of funding. The Dealer will then submit for reimbursement of the Trane/distributor share through the Trane Promotional Claim Center (TPCC).
- DSO Dealers will be reimbursed the Trane portion via credit to their account on a weekly or monthly basis.
- IWD Dealers will be reimbursed from their Distributor at minimum on a monthly basis.

CLAIM PROCESSING:

- Dealer will complete the financing process through the Trane Wells Fargo financing program.
- Provide Wells Fargo with the **appropriate Plan Number**. Enter the plan code for this Fall promotion beside the box labeled 'Credit Term Plan Number' on the Wells Fargo invoice, section B.
- Complete the following boxes on the Wells Fargo invoice using the standard procedure: Authorization #, Merchant Ticket/Invoice #, Description, Total Amount Financed.
- Wells Fargo will fund the Dealer as usual minus the applicable discount rate.
- The Dealer will enter a financing or trade-in allowance claim on the Trane Promotional Claim Center (TPCC) and will subsequently be reimbursed the Trane/Distributor portion.
 - Dealer should use the serial number found **on the equipment**. Please do not use the invoice.
 - If claiming for the financing offer, Dealer must have the Wells Fargo consumer account number in order to enter a claim.
 - **Claims submitted after 30 days from the date of sale will not be processed.**
- Claims for special financing or trade-in allowances must be submitted by the Dealer and will be processed through the Trane Promotional Claim Center - TPCC (accessible via ComfortSite).
 - Accept Terms and Conditions on ComfortSite/Trane Promotional Claim Center (TPCC) while submitting the first claim against the program (once the Terms & Conditions are accepted, this step will not be necessary for all subsequent claims under the program).
- Dealers must claim all open programs against a product/system sales at the same time. Claims will lock once payment is processed and will not be able to be changed to ensure eligibility for other programs.
- When entering the claim in TPCC, the Dealer should double check to make sure all equipment is entered on the claim. Failure to include all equipment may disqualify the claim for payment.
- All financing or trade-in allowance claims will be validated on:
 - Approved participating Dealer
 - Program periods (sales, installation, submission) by cost center
 - Qualifying Equipment
 - Valid/non-duplicated serial numbers
 - Confirmation of correlating Wells Fargo funding of job and dollar amount

- Additional information which will be verified:
 - Consumer name
 - Valid address based on Melissa (Post Office) data
 - Valid phone number
- Financing claims may vary by a few pennies based on rounding and carrying of decimals in the Dealer/Trane reimbursement split.
- Agree to abide by all Sales Plan parameters and will only be reimbursed for claims following these guidelines.
- Note: Dealers will be able to complete the application process via Wells Fargo up to 3 business days from the sales date and complete the funding process via Wells Fargo up to 3 business days after the installation date in order to give time to close out the financing process.
- Claims failing to validate on the above points will be denied. If upon audit, it is found that reimbursement was received on any claim that is later determined to be ineligible, Dealer will be billed back in full and/or invoiced, at Trane's sole discretion, all consumer and processing costs associated with the program.

Please see the charts below for the dealer reimbursement schedule and trade-in allowance offers associated with this plan.

2016 Fall National Consumer Promotion, Trane Dealers SP643C

**DEALER Reimbursement Schedule
FOR DSO CHANNEL**

Products are eligible based on availability and must be sold/installed/claimed during the promotion period.

Eligibility is based upon use of Trane products.

At least one Trane Comfort Control must be included with each system/product purchase. The finance program for each eligible Trane product/system are listed below.

Trane Dealers	0% APR/48 Months (Plan Code 2847)			0% APR/60 Mo (Plan Code 2848)		
	Total Discount Rate Due To Wells Fargo	Dealer Contribution	Discount Rate Points Reimbursed by Trane	Total Discount Rate Due To Wells Fargo	Dealer Contribution	Discount Rate Points Reimbursed by Trane
Fall Consumer Promotion Rates	14.340	8.670	5.670	16.100	10.430	5.670

DSO's: Contribution Amounts for Dealer/Trane			
Model Family	Consumer Discounts	Dealer Contribution	\$ Reimbursed by Trane
XV20i System	\$1,000	\$500	\$500
XV18 System	\$600	\$300	\$300
XL18i System	\$500	\$250	\$250
XL16i System	\$300	\$150	\$150
XR17 System	\$450	\$225	\$225
XR16 System	\$250	\$125	\$125
16 SEER Mini-Splits	\$100	\$50	\$50
18 SEER Mini-Splits	\$100	\$50	\$50
16/18 SEER Multi-Splits	\$150	\$75	\$75
22/27 Mini-Splits, Multi-Splits	\$200	\$100	\$100
XL16c Packaged Units	\$450	\$225	\$225
XL15c Packaged Units	\$200	\$100	\$100
XL14c Packaged Units	\$200	\$100	\$100
XC95m	\$250	\$125	\$125
S Series	\$200	\$100	\$100
XT95	\$100	\$50	\$50

LEGAL REQUIREMENTS FOR DISTRIBUTORS AND DEALERS

THIS DOCUMENT CONTAINS CONFIDENTIAL, PROPRIETARY OR TRADE SECRET INFORMATION OF TRANE U.S., INC. IT MAY NOT BE DISCLOSED TO ANY THIRD PARTY WITHOUT PRIOR WRITTEN CONSENT FROM TRANE U.S., INC. OR ITS AFFILIATES. DISTRIBUTOR/DEALER MAY BE LIABLE FOR ANY UNAUTHORIZED DISTRIBUTION.

The information provided herein is considered confidential and proprietary information of Trane U.S., Inc., and its affiliates (“Trane”). It is provided for the sole purpose of permitting the recipient to promote Trane products and services. Recipient agrees to maintain the confidentiality of all proprietary, trade secret information, including confidential pricing data provided in this document. The Recipient hereby agrees that it will not at any time disclose this confidential information or material, in whole or in part, to any person or entity for any reason or purpose whatsoever, unless Trane gives its consent, in writing, to such disclosure, except as required by law. The agreement to maintain the confidentiality of this information extends to any employees, pre or future, involved in the work desired and who will have access to the information. These employees will hold the information in confidence in accordance with this agreement and use the information only in the performance of their employment. Recipient agrees to review this agreement and its terms with employees and will obtain their agreement with the terms of this agreement before providing them with any Trane confidential information.

Amendments, Modifications, or Exceptions

Trane reserves the right to amend, modify, or cancel the program, or any portion at any time. Amendments are not effective unless they are published by Trane in formal Guidelines or are signed by an authorized Trane representative. Any exceptions to the program guidelines must be approved in writing by an authorized Trane representative.

No Other Obligation

Trane shall have no fiduciary duties or other special duties of any kind to any Distributor/Dealer under the program other than as expressly set forth in these guidelines.

Legal Liability

By participating in this program, each participating Distributor/Dealer warrants that its marketing programs and initiatives are in compliance with all antitrust pricing laws and federal/state/local regulations. Trane does not undertake any legal responsibility for the local management and execution of their marketing programs.

Document Retention

It is the Distributor’s/Dealer’s responsibility to maintain copies of supporting documentation and claim reimbursement paperwork for a minimum of 24 months after reimbursement. Prior to implementing any change in your record retention policies, please consult with your accountant and attorney to determine whether you need to retain these records for other business or legal purposes.

Claims Auditing

All reimbursements under the program are subject to audit. If reimbursement is received on any claim that is later determined to be ineligible, the Distributors/Dealers account will be debited in the amount of the ineligible claim plus reasonable and customary expenses incurred for conducting the audit.

Program Violation

Violation of these guidelines may result in termination of the applicable Distributor Agreement or Dealer Sales Agreement or any portion thereof, including but not limited to an immediate revocation of any and all rights to use or display Trane intellectual property (logo’s, trademarks, creative).

Financial Status

Eligibility for program and reimbursements are contingent upon Distributor/Dealer having an executing Distributor Agreement or Dealer Sales Agreement on file and their account being active and in good standing/current as determined solely by Trane.

Privacy Policy Disclosure Statement

As part of this program and within Trane’s sole discretion, Trane collects various information to support its development and delivery of quality products, services, and programs to its consumers. In order to ensure that Trane programs are provided and that proper quality in service is achieved, Trane may from time to time directly contact homeowners who purchase Trane products or services to survey customer satisfaction, to evaluate homeowner’s reactions to an interest in Trane products and services, and to conduct research activities. These surveys are a result of such things as independent dealer programs, product registrations, extended warranties, etc. and may be provided to you for the homeowner’s future purchase of Trane products and services. Any information received or obtained by Trane will be held in accordance with Trane’s privacy policy, which may be obtained at www.trane.com. Trane may from time to time also directly contact homeowners when requested by the homeowner, when required by contract or law, or when a registered homeowner has not received all available coverage for its Trane products.

Termination This sales plan is subject to termination or modification at any time by Trane.