

Fraud & Misconduct Policy

Background

Every employee is expected to protect Deere & Co. (and its subsidiaries) from unethical or improper actions. Over the years, the integrity of our employees has been the key factor in minimizing the number of incidents of unethical or illegal conduct experienced by the Company.

It is imperative that we continue the behaviors and practices which have minimized these occurrences. Each incident of unethical or illegal conduct harms the Company. Profitability is impacted, confidence in the Company's integrity and competence is diminished, and criminal prosecution could result.

The full text of the *Code of Business Conduct* may be accessed on the intranet at [Code of Business Conduct](#)

Furthermore, Deere & Company Blue Bulletin B-1957 (*Global Reporting of Potential Business Conduct Violations and Anti-Retaliation Policy*) documents the corporate policy and procedures for reporting *Code of Business Conduct* violations. This *John Deere Financial Services Fraud and Misconduct Policy* is intended to complement, not to supersede, Blue Bulletin B-1957.

The full text of Blue Bulletin B-1957 may be accessed on the intranet at [Global Reporting of Potential Business Conduct Violations and Anti-Retaliation Policy](#)

SCOPE OF POLICY

This policy applies to any fraud, or suspected fraud, involving dealers, merchants, customers, or vendors doing business with John Deere Financial (JDF) worldwide. Any investigative activity which may be required will be conducted in accordance with the policies and procedures documented in the [Global Fraud Risk Management Program](#).

OUT OF SCOPE

Suspected improprieties concerning an employee's moral, ethical, or behavioral conduct should be resolved by departmental management and Human Resources and are not to be reporting through this process. This applies to both regular and contract employees.

Also out of scope are credit losses unless such losses are the result of fraud, theft or misconduct.

If there is any question as to whether an action constitutes fraud or misconduct that might be covered under this policy, contact the Manager, Fraud Control for guidance.

DEFINITION OF FRAUD & MISCONDUCT

Fraud is defined as the intentional misrepresentation or concealment of a material fact for the purpose of inducing another to act upon it to his or her detriment. Misconduct refers to behavior which is dishonest or improper, including violations of the Deere & Company *Code*

Fraud & Misconduct Policy

of Business Conduct. Acts of fraud or misconduct which must be reported under this policy include, but are not limited to:

- A. Intentional misrepresentation of facts
- B. Misappropriation or misuse of company assets & property
- C. Falsification of any document supporting the extension of credit
- D. Inappropriate use of company incentive programs
- E. Conversion of proceeds from the sale of property which is subject to a security interest
- F. Any apparent violation of laws or regulations

Both actual and suspected fraud and misconduct must be reported. In addition, fraud or misconduct must be reported without regard to whether it resulted in a financial loss.

POLICY

Management is responsible for the prevention and detection of fraud, misappropriations, and other inappropriate conduct. Each manager should be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity. Any fraud that is detected or suspected must be reported immediately through the following means:

- Yellow Flag Process – For the reporting of suspicious activity by John Deere dealers, merchants, customers and vendors

To submit a Yellow Flag click here: <https://www.jdyellowflag.com/>

- John Deere Compliance Hotline – If, for any reason, an employee is uncomfortable reporting suspicious acts to John Deere Financial personnel, suspicious activities may be reported anonymously and directly to Deere & Company in one of three ways:
 - A. The Company has established a corporate toll-free telephone Compliance Hotline in the United States and Canada. The toll-free telephone Compliance Hotline will be available 24 hours a day. Calls to the Compliance Hotline will not be recorded or traced.

Toll-free Compliance Hotline number: 1-800-933-3731

- B. A post office box for reporting possible fraud or improper activities has been established.

PO Box: Compliance Hotline
 Post Office Box 1192
 Moline, Illinois 61266-1192
 USA

- C. An anonymous website has also been established:

www.compliance-helpline.com/JohnDeere.jsp

Please see the above reference to the Deere & Company Blue Bulletin B-1957 for detailed information

Fraud & Misconduct Policy

- Miscellaneous – if there are questions or uncertainty as to the reporting procedure for any issue not covered above, contact the Manager, Fraud Control for further direction

CONFIDENTIALITY

To the extent possible and when deemed appropriate, the John Deere Financial Services Fraud Committee treats all information received *confidentially*. Investigation results *will not be disclosed or discussed* with anyone other than those who have a legitimate need to know.

The company strictly prohibits retaliation against any individual who reports potential fraud, an improper activity, or an illegal act. The company also strictly prohibits retaliation against any individual who assists in any manner in an investigation. Some examples of prohibited retaliation include: termination, demotion, suspension, failure to promote, unfavorable performance evaluation, and adversely affecting working conditions. Individuals will be disciplined for retaliation, up to and including termination.

INVESTIGATION RESPONSIBILITIES

The John Deere Financial Services Fraud & Misconduct Committee (the “Committee”) has the primary responsibility for the investigative oversight of all suspected fraudulent acts as defined in this policy. Investigations will be conducted under the direction of an attorney within the JDF Law Department, using Enterprise Security & Preparedness personnel, the Manager, Fraud Control, and other company resources as necessary. Authorized investigators will have free and unrestricted access to all Company records and premises, whether owned or rented.

Investigative reports, under the protection of attorney-client or other appropriate privilege, will be issued to the Committee on a timely basis.

ADMINISTRATION

The Committee is responsible for the administration, revision, interpretation, and application of this policy. The policy will be reviewed annually and revised as needed.

APPROVAL

Approved by the Committee at its 8 November 2017 meeting

John Deere Financial Services Fraud Committee:

Sr. VP & Chief Counsel (Chair)
Sr. VP & Finance Director
Director, Global Credit Management
VP U.S. & Canada Marketing & Sales
VP U.S. & Canada Credit
VP US & Canada Customer Management

Fraud & Misconduct Policy

Adjunct Member:
Director, Global Internal Audit

Facilitating Members:
Deputy Chief Counsel
Manager, Fraud Control