



Anticipation Discount Program (ADP)

Service Contracts



Adding value through maintenance services.

Your Trane HVAC equipment was designed to optimize comfort and energy efficiency while providing the right environment for the people in your buildings.

Trane continues to add value even after the initial sale of the equipment with the Trane Anticipation Discount Program (ADP) for service contracts.

The idea is simple. You'll save significantly on your HVAC equipment, installation and services just by paying in advance.

Flexible and customizable program designed for all Trane customers

All Trane customers with current accounts are eligible for the program. ADP is designed to be flexible and customizable, so you can create the program that meets your needs. Trane will work with your budget and your board to create the best program for your facility.

Here's how the program works

Savings on service contracts

Save when you pre-pay for all service contracts. Whether you have a 1-year contract, or up to a 5-year contract, Trane will give you a straight percentage discount when you pay in advance! One invoice is generated up-front for the entire contract and the customer can take a straight one-time discount.

1-year contract: save 3% with ADP.

2-year contract: save 4.2% with ADP.

3-year contract: save 5.8% with ADP.

4-year contract: save 7.5% with ADP.

5-year contract: save 10% with ADP.

Discounts on equipment and controls

Trane ADP also offers discounts for your equipment purchase when you pay prior to shipping. It's as flexible and customizable as you want. Your discount depends on:

- How much you pay
- When you pay
- The discount rate
- The date the equipment ships

HVAC equipment

$$D = \frac{R \times P \times T/360}{1 + (R \times T/360)}$$

D = Discount, R = Discount Rate,

P = Payment, T = Number of Days

between payment and shipment + 30 days (standard terms).

Do the math:

For example: Your equipment is valued at \$100,000. You pay for it 15 weeks prior to shipment at an annualized prepayment rate of 5%. The actual discount amount can be calculated using this formula:

$$\text{\$1,840.49} = \frac{.05 \times 100,000 \times 135/360}{1 + (.05 \times 135/360)}$$

The prepayment earned an immediate discount of \$1,840.49.

What happens if the equipment ships later or earlier than estimated?

We will adjust the discount using the formula outlined if the equipment is shipped more than five days later than expected. If the equipment ships early at our discretion, you will receive the full discount.

ADP. Immediate savings. Lower long-term costs.

As you can see, our ADP lowers the cost of owning and maintaining Trane HVAC equipment, controls and provides benefits to building owners and managers by:

- Reducing project costs
- Discounting service and installation costs
- Giving immediate equipment discounts
- Providing an attractive rate of return

Best of all, this unique program helps reduce the capital investment required to implement facility improvements, which means building owners/managers can invest capital into other activities. You'll also get the benefit of immediate order approval and enhanced credit standing.

And ultimately, you'll be able to cost efficiently create an indoor environment that promotes comfort and productivity.

How much can you save?

Call your local Trane Sales Representative or your Trane Regional Financial Services Contact to get an Anticipation Discount Quote today.

Success Story



A capital idea from Trane.

A company needed a significant repair on its Trane CenTraVac, which was no longer under warranty. The customer was concerned about spending capital dollars for the servicing.

Trane offered to discount the repair if the customer would commit to a long-term Service Agreement. Although the customer liked the idea, he did not want to have to pay a large sum every year out of the company's operating budget.

As the customer and the Trane representative discussed possible solutions, we learned that the company had some closeout money in its capital construction budget. So we offered a multi-year, full-service agreement—including the cost of repairing the CenTraVac—along with an ADP discount for payment up-front.

This enabled the customer to pay for the repair and Service Agreement entirely with construction capital and receive credit under their GPO (group purchasing organization) contract—all at a substantial savings.

Learn more at trane.com



Trane – by Trane Technologies (NYSE: TT), a global climate innovator – creates comfortable, energy efficient indoor environments through a broad portfolio of heating, ventilating and air conditioning systems and controls, services, parts and supply. For more information, please visit trane.com or tranetechnologies.com.

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