New Machine Equipment Protection Plan

Overview

This bulletin addresses the New Machine Equipment Protection Plan Program (EPP) available through Caterpillar for new machines.

Dealers can purchase the EPP to cover the Cat® authorized dealers’ parts and/or labor responsibility for any new Cat machine sold and delivered. The program provides new machine coverage to the base machine and does not include associated work tools or attachments.

The EPP provides dealer reimbursement for parts and labor for covered defects in material and workmanship on machines registered in this program.

In some instances the EPP may be combined with district approved merchandising programs to provide labor reimbursement on those programs that normally provide parts only, such as Value Assurance 2. Refer to the Caterpillar Global Service Warranty Guide section 5 for details regarding Value Assurance and other published merchandising programs.

Coverage Options

Caterpillar offers various term and coverage options for earthmoving, construction, paving, forestry, mining, compact construction equipment, and agricultural machines. Options are reviewed annually on a global basis with product groups and Caterpillar. Machines sold to both governmental and non-governmental customers are eligible for this program.
See appropriate bulletins and regional exceptions located at the Global Warranty web site at https://warranty.cat.com:

- Bulletin 2.01 - Machines (Caterpillar Standard Machine Warranty)
- Bulletin 8.01 - Powertrain Equipment Protection Plan
- Bulletin 8.02 - Hydraulic Equipment Protection Plan
- Bulletin 8.03 - Premier Equipment Protection Plan
- Bulletin 8.04 - Travel Equipment Protection Plan (Americas North and EAME)
- Bulletin 8.05 - Engine-Only Equipment Protection Plan Mining Products (Hydraulic Mining Shovels and Surface Drills)
- Bulletin 8.06 - Major Components Equipment Protection Plan Mining Products (Hydraulic Mining Shovels)
- Bulletin 8.07 – Forestry 3-2-1 and 4-3-2-1 EPP Program (Americas North)
- Bulletin 8.09 - Equipment Protection Plan Program Hydromechanical Work Tools-
- Bulletin 8.58 - Equipment Protection Plan Program Power Modules in OEM Product

**EPP Period**

The coverage period for the EPP starts from the product delivery date, and includes the Standard Caterpillar Machine Warranty period. Coverage under the EPP Program does not change the Caterpillar Standard Machine Warranty reimbursement rates. The EPP expires when the length of time or the hour usage is reached, whichever comes first.

The new machine program structure provides the dealer with the following two distinct options:

- **New EPP - Year 1 - Labor Only**
  Provides protection for dealer labor cost exposures under standard factory warranty. It is effective at the delivery date to the first customer or into the dealer rental fleet. The program provides three levels of coverage: Powertrain, Powertrain + Hydraulics and Premier.

- **New EPP – Year 2 & Beyond**
  Provides protection for coverage beyond Caterpillar Standard Machine Warranty for parts and labor and includes all three levels of coverage: Powertrain, Powertrain + Hydraulics, and Premier.

**Enrollment**

Enrollment of a machine in EPP is done by the dealer using the on-line Machine Enrollment Registration (MER) process or the Corporate Claims System (Claimsi) at https://claims.cat.com or Quote Plus at https://epp.cat.com.

**Validating Coverage**

Dealers can verify EPP coverage in the Caterpillar Service Information Management System (SIMSi) at https://sims.cat.com. The coverage / customer information screens will show the coverage start date (purchase date of the plan), the coverage details, and customer name and address.

**Components Covered**

A detailed list of components covered by EPP is included in the Caterpillar Service Warranty Guide at https://warranty.cat.com. Reference Bulletins 8.01 for Powertrain; 8.02 for Hydraulics; 8.03 for Premier; 8.09 for Hydromechanical Work Tools; 8.05 for Engine-Only Equipment Protection Plan Mining Products (Hydraulic Mining Shovels and Surface Drills); and 8.06 for Major Components Equipment Protection Plan Mining Products (6000 Series Hydraulic Mining Shovels).
Exclusions, Limitations, Customer’s Responsibilities & Wear-out and Extent of Coverage

Note: The EPP covers only the base machine and excludes work tools, tires, and rubber tracks.

A list of the exclusions and limitations, customer’s responsibilities and wear-out and extent of coverage for EPP are included in the Caterpillar Global Service Warranty Guide at https://warranty.cat.com. Reference Bulletins 8.01 for Powertrain, 8.02 for Hydraulics and 8.03 for Premier.


Emissions Components

In some regions, certain parts and/or components may qualify for Emissions Warranty such as in accordance with the United States Environmental Protection Agency (US EPA) and the California Air Resources Board (ARB). Bulletin 7.01 explains the details and reimbursements of Emissions Warranty and the claiming procedures for emissions components. Emissions parts that are within the terms of Emissions Warranty must follow claiming procedures outlined in Bulletin 7.01. See Bulletin 8.01 for information regarding emissions components that are beyond the terms of Emissions Warranty and are enrolled in a Caterpillar EPP.

Coverage for Parts Replaced Under the Plan

Parts replaced under the terms of EPP are covered by the plan for the remainder of the plan’s coverage period. The coverage on such parts ceases when the program’s EPP coverage period expires, regardless of when the parts were replaced.

Claiming Practices for PIP/PSP on Machines Covered by the New Machine EPP

Product Improvement Programs (PIPs) and Product Support Programs (PSPs), except PS6 - - - - and PS9 - - - - containment programs, performed on machines covered by this program must be claimed under the appropriate PIP or PSP. Do not claim these repairs under the EPP. Refer to Bulletin 1.16 Service Letters (PIP/PSP) for additional information.

Claim Field Information - (Except Cat Branded Forestry Machines and Mining Products Hydraulic Shovels and Surface Drills)

When submitting Caterpillar Standard Machine Warranty or EPP claims the normal claim information should be entered including the following:

- **Coverage Type:** Leave Blank
- **Rate (Labor Expense Lines):** Leave Blank
- **Cost (Parts Expense Lines):** Leave Blank

Cat Branded Forestry Machines claims filing instructions for the Service Claims System can be found in Bulletin 8.07 Forestry 3-2-1 and 4-3-2-1 EPP Program (Americas North).

Mining Products (Hydraulic Mining Shovels and Surface Drills) Claim Filing Instructions for the Service Claim System

Note: This claim process applies to Hydraulic Mining Shovels and Surface Drills covered by EPP coverage described in the following bulletins: 8.06 Major Components Equipment Protection Plan Mining Products; 8.02 Hydraulics Equipment Protection Plan; and 8.03 Premier Equipment Protection Plan.

The following information outlines the EPP claim requirements for Mining Products (Hydraulic Mining Shovels and Surface Drills) claims utilizing the Caterpillar Service Claim System. All claims must be filed against the Caterpillar cross-reference serial number or traditional Caterpillar serial number. Please refer to the Pre-Approval questionnaire and instructions located on dealer.cat.com (within the “Administration/Registration/Claims” section) before proceeding with EPP claim. (https://dealer.cat.com/en/ps/esc-epp/machine-worktool/new.html)
Product ID / Serial Number –
- Enter the traditional Caterpillar serial number, when available.
- If the traditional Caterpillar serial number is not available, enter the cross reference serial number assigned to the machine. Serial number cross reference list is found in SIS web at (https://sis.cat.com/sisweb/servlet/cat.cis.sis.PController.CSSISSelectEquipmentServlet?status=mainPage).

Part Causing Failure:
- Enter the traditional Cat part number that caused the failure, when available.
- If the part number that caused the failure is not a traditional Cat part number, use a substitute part number that best represents the part causing failure.

Group Causing Failure:
- Enter the Cat group number for the part causing failure, when available.
- If the group number is not a traditional Cat group number, use a Service Management Control System (SMCS) code that best represents the group causing failure.

Comments/Findings - When using a substitute part number, enter the legacy Bucyrus part number causing failure as follows “BU_ Legacy Bucyrus PN” (Example: BU_ 400879)

Parts Expenses Detail:
To claim expenses when traditional Cat part numbers are not available use a “parts summary expense line” OR “miscellaneous expense” to combine on a single expense line of all of the non-traditional Cat parts.

Traditional Cat part numbers:
- When traditional Cat part numbers are available, claim Cat Part Number on detail line

Parts summary expense lines:
- Part uplifts including Transportation & Importation (T&I) are applied to part summary expense lines. Do NOT submit a separate expense for parts uplifts when utilizing the part summary expense line.
- Enter NUDF in the “Description” field

Miscellaneous expense lines:
- Part uplifts (including T&I) are NOT applied to miscellaneous expense lines. Therefore a separate miscellaneous line needs to be submitted for T&I and other parts uplifts.
- Enter in the “Description” field:
  - For parts: BUPRTS - Bucyrus Legacy Parts.

Claim Story - In addition to complaint, cause, correction and complication, include the following information:
- Enter the legacy Bucyrus serial number, if utilizing cross-reference serial number to submit the claim.
- List the part numbers, part names, quantity and part cost at the reimbursable expense of the parts that were claimed in the Parts Summary or Miscellaneous expense lines. The summary of expenses noted in the claim story must match the detail expense items claimed.
- List serial numbers for components included in the repair.
Dealer Repair Expense Reimbursement

Dealer reimbursement for repair expenses related to covered repairs under New Machine EPP will be per the following Summary of Reimbursement Practices chart and in accordance with applicable reimbursement practices as outlined in Bulletin 1.02.

Summary of Reimbursement Practices

<table>
<thead>
<tr>
<th>Repair Expense</th>
<th>Allowance &amp; Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parts</td>
<td>During Standard Warranty: Reimbursable at Dealer Net (D/N). After Standard Warranty: Reimbursable at D/N +10% or +25% or 33%.</td>
</tr>
<tr>
<td>Service Items</td>
<td>During Standard Warranty: Reimbursable at (D/N). After Standard Warranty: Reimbursable at D/N +10% or +25% or 33%.</td>
</tr>
<tr>
<td>Repair Labor</td>
<td>Reimbursable at the dealer's registered Sell Rate unless otherwise specified.</td>
</tr>
<tr>
<td>Parts Service Charges</td>
<td>Reimbursable.</td>
</tr>
<tr>
<td>Parts Salvage Labor</td>
<td>Reimbursable at Warranty Cost Labor Rate, if justified.</td>
</tr>
<tr>
<td>Outside Repair Expenses</td>
<td>Reimbursable at Cost.</td>
</tr>
<tr>
<td>Shop Supplies</td>
<td>Not reimbursable as an itemized expense.</td>
</tr>
<tr>
<td>Overtime Labor Rate, Hauling Costs, Freight Charges, Travel Time and Mileage, Meals and Lodging.</td>
<td>Not reimbursable.</td>
</tr>
</tbody>
</table>

Prorated Reimbursement:

Dealers may purchase new machine EPP coverage that includes prorated claim reimbursement. This option is available for Powertrain, Powertrain + Hydraulic, and Premier EPP coverage. Unless otherwise noted below, the prorated reimbursement option does not change EPP eligibility guidelines or processes as defined in Warranty Bulletins, EPP Bulletin(s) applicable to the desired coverage option, and the Dealer Administration Manual.

When selected for a registered machine, the EPP prorated reimbursement option will reimburse per the following schedule.

<table>
<thead>
<tr>
<th>SMU Hours (at Failure Date)</th>
<th>Prorated Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 6000</td>
<td>100%</td>
</tr>
<tr>
<td>6001 - 7000</td>
<td>80%</td>
</tr>
<tr>
<td>7001 - 8000</td>
<td>60%</td>
</tr>
<tr>
<td>8001 - 9000</td>
<td>40%</td>
</tr>
<tr>
<td>9001 – 10,000</td>
<td>20%</td>
</tr>
<tr>
<td>10,001+</td>
<td>20%</td>
</tr>
</tbody>
</table>

Note: Machine months at time of failure do not impact the prorated percentage.

Note: The prorated percentage applies to both parts and labor claims.

For covered failures, dealers should submit claims at 100%, similar to EPP claims with non-prorated reimbursement. The allowed expenses will first be determined per standard policies and in accordance with applicable reimbursement practices. Caterpillar will then apply the prorated percentage to the claim.