

SERVICE

Equipment Protection Plan

**Americas South,
Asia Pacific & EAME**

Machine

Used Equipment Protection Plan - Blanket

► Overview

The purpose of this bulletin is to provide an overview of the Blanket Equipment Protection Plan (BEPP) available for Cat® used machines sold by Cat dealers.

There are several BEPP qualifying machine status classifications;

- **Certified Used (CCU)/ CCU level 1 (CCU1)/ CCU (Type A)** – A Cat machine that meets Caterpillar defined CCU requirements and specified BEPP age/hour limits for this classification. Specified BEPP age/hour limits **can be found on page two of the pricing table/enrollment form at <https://dealer.cat.com/en/ps/esc-epp/machine-worktool/used/blanket.html>**. (Select the appropriate pricing spreadsheet under the Blanket Used tab.)
- **CCU level 2 (CCU2)/ CCU (Type B)** – Where available, a Cat machine that meets Caterpillar defined CCU requirements and specified BEPP age and hour limits for this classification. Specified BEPP age/hour limits **can be found on page two of the pricing table/enrollment form at <https://dealer.cat.com/en/ps/esc-epp/machine-worktool/used/blanket.html>**. (Select the appropriate pricing spreadsheet under the Blanket Used tab.)
- **Non-CCU/Dealer Certified Used (DCU)** – A Cat machine that does not qualify as one of the above but meets other specified Equipment Protection Plan (EPP) age and hour requirements.

Not all classifications are available in all Caterpillar defined Regions. (Americas South, Asia Pacific Division (APD), Europe/ Africa/ Middle East (EAME))

BEPP coverage options available for used machines;

- Powertrain (PWT) - See Bulletin 8.01.
- Powertrain + Hydraulics (P+H) - See Bulletin 8.01 and 8.02.
- Premier (EAME Only) – See Bulletin 8.03.

All coverage options are also available with parts reimbursement levels at dealer net (D/N) + 25% or D/N + 10% for qualified repairs. Dealer must choose the desired parts reimbursement level when enrolling by selecting the applicable customized coverage code.

Coverage terms range from 3 to 24 months with hour options from 800 to 6,000 hours, depending on Region, machine age and current service meter units (SMU).

► 08.51-01 (01/16)
<https://warranty.cat.com/wtyguide>

► Indicates change.

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Dealer and Dealers are defined as any Cat Authorized Dealer or Cat Authorized Repair Representative.

BEPP enrollments must be completed within 30 days of the BEPP coverage start date. (For Used Equipment Management System (UEMS) users in EAME that have enrollments downloaded once per month, the UEMS entry date and the used machine delivery date should be no more than 30 days apart to be considered timely.) Anytime an enrollment is later than 30 days, the enrollment request is considered late and may require additional documentation prior to completion/exception approval.

EPP covers parts and labor repair costs on eligible machine failures for covered components, depending upon the coverage type. **Coverage applies only to failures caused by defects in materials and workmanship.** The intent of EPP coverage is not to restore the product to a like-new condition, but rather to restore the product to its operating condition just prior to the covered failure.

BEPP is also available for Non-CCU/DCU machines, excluding Australia and New Zealand where the Individual Used program must be used for all Non-CCU/DCU machines. Dealers may purchase Individual Used coverage through Caterpillar. All of Americas North region and any machine imported into Brazil are excluded from the BEPP Program.

Note: For enrolled machines, covered repairs may be performed by any authorized dealer. The Cat dealer is responsible for submitting the service claim for reimbursement.

- BEPP rate/fee tables available terms on eligible machines **can be obtained at** <https://dealer.cat.com/en/ps/esc-epp/machine-worktool/used/blanket.html>. (Select appropriate table or enrollment form on the Blanket Used tab.)

You may also contact your Cat Financial Insurance Services Territory Manager or Regional Insurance Manager with questions or send an email to the appropriate regional mailbox.

- Americas South – LACD.EquipmentProtectionPlan@cat.com
- Asia Pacific (APD) – APD.EquipmentProtectionPlan@cat.com
- Europe, Asia, Middle East (EAME) – EAME.EquipmentProtectionPlan@cat.com

Machine Eligibility

ELIGIBLE used machines are Cat machines that meet age and hour limits and are:

- Machines outside of the standard factory warranty (SFW) period.
- Machines that have undergone and passed a Dealer Owned Certified, TA-1, or similar inspection.
- Machines sold to an end-user (retail sale) within the dealer's service territory.
- Machines owned by a customer or dealer.
- Machines in good working condition.

Brazil Only:

- Machines originally manufactured in Brazil.

EXCLUSIONS:

- Machines NOT in good working condition.
- Machines sold in an "AS IS" condition.
- Machines already covered by another Caterpillar or Caterpillar Affiliate Warranty Plan.

Brazil Only:

- Imported machines.

DELAYED COVERAGE START DATE (DCSD): (EAME Only)

In order for a machine to qualify for the DCSD program:

- The machine must meet the above eligibility requirements.
- The machine must currently be active under a Caterpillar Financial Insurance Services machine parts and labor EPP coverage.
- The DCSD enrollment must have a start date no greater than 9 months from the used machine sale date.
- The DCSD EPP coverage term must be a BEPP term of 12 months or less.
- The DCSD enrollment must begin when the current active EPP coverage reaches its expiry date or

hours, whichever occurs first. (If hours are reached first, dealer should notify Caterpillar to manually process/start the DCSD program coverage so there is no gap in coverage or delay in paying claims. The DCSD program coverage start hours will be the hours on the machine at the time of the used machine sale and will correspond to the hours on the applicable inspection.

- The machine must be under 10 years of age at the DCSD coverage start date.
- The DCSD BEPP coverage type must be equal to or less than the current active machine coverage. (No upgrades.)

► Inspections

All machines must be inspected and all inspections must be completed within the 30 days prior to the BEPP coverage start date. *(The CCU program may have additional requirements to qualify the machine as CCU. See <https://dealer.cat.com/en/industries/rental-used/used-equipment-regional-information.html> steps 1 and 2. These requirements may differ from BEPP coverage eligibility inspections requirements as described below.)*

Acceptable inspections are:

- The Dealer Owned Certified inspection form which can be found on CatUsed.com® under the My CatUsed tab. (Choose the appropriate inspections type: 'Dealer Owned Certified'.)
- The Powertrain and/or Powertrain and Hydraulics sections of a TA-1.
- Other Cat Financial Insurance Services approved and appropriate dealer inspection.

A TA-2 inspection of major components is required if problems are identified in the TA-1, Dealer Owned Certified, or other approved inspection forms.

Each machine must undergo and pass one of the above listed inspections. Any items identified as not passing must first be repaired in order to qualify for the BEPP program. EPP does not reimburse for inspection fees and all fees for inspections and necessary repairs are the responsibility of the dealer. It is the selling dealer's responsibility to see that the machine is properly inspected.

INSPECTION ADJUSTMENTS:

Delayed Coverage Start Date Exception (EAME Only): The inspection completed within the 30 days prior to the machine sale date is valid for the DCSD program and no additional inspection is required even though the coverage may not start for up to 9 months. The inspection should show the same hours as those in UEMS. (The EPP start hours under the DCSD program are those at the time of machine sale/inspection.)

Dealer Used Machine Inventory Adjustment: If the machine is currently in the dealer's Used machine inventory, the coverage start date is more than 30 days from the last inspection date and there is no significant change in machine SMU, the dealer may verify that the original inspection is still an accurate representation of the machine and then adjust/update the hours and inspection date to coincide with the current SMU reading and date. (Significant change is a difference of more than 50 additional hours.) No new or additional inspection is required.

Inspection files of the selling dealer are subject to audit. Further, the dealer is obligated to forward a copy of the inspection if directed to do so.

Dealer's Responsibilities

- Confirm that the machine has not experienced a failure prior to the BEPP coverage start date. If a failure exists, the machine must be repaired prior to registering it for EPP.
- Repair machines using the most economical method, and install only genuine Cat parts.
- Keep on file the applicable inspection and all parts and labor invoices relative to required repairs.
- Pay for any loss in excess of what is covered by EPP if broader coverage was offered to the customer.
- Register each machine for EPP under the BEPP program and pay applicable fees.

Components Covered

For a summary of Service Management Control System (SMCS) codes and major component categories, refer to the appropriate Bulletin(s) based on the coverage type. (Powertrain - Bulletin 8.01 and/or Hydraulics - Bulletin 8.02) Parts and components replaced during the EPP term are covered for the remainder of the current EPP coverage period. Coverage for all parts and labor ceases when the specified time or hour limitation is reached, regardless of when the part was repaired or replaced. All Bulletins are located on the Global Warranty website at <https://warranty.cat.com>.

Parts and Labor

- Parts: Qualifying Cat parts are reimbursable.
 - Americas South and APD – Reimbursable at D/N +10%.
 - EAME – Reimbursable at D/N + 10% or D/N + 25%.
- Labor: Reimbursable at registered dealer sell rate for EPP qualifying claims.

Service Letters - Product Improvement Programs (PIP), Product Support Programs (PSP)

All Service Letters (PIPs, PSPs) performed on machines covered by EPP, must be claimed under the appropriate Service Letter. Do not claim these repairs under EPP. Refer to Bulletin 1.16 for claiming practices on both pre-failure and after-failure repairs under PIPs and PSPs.

Wear-out and Extent of Coverage

Wear-out and normal deterioration are not considered a failure and are not covered. A wear-out occurrence is not due to defects in material or workmanship.

Emissions

See Bulletin 7.01 for complete details regarding emissions warranty. See Bulletin 8.01 for an explanation of emissions related Powertrain components.

Exclusions and Limitations

- Operator abuse, neglect, improper or abusive use of the machine, including but not limited to the failure to perform the recommended preventive maintenance as specified in the Operation and Maintenance Manual.
- Applications not approved by Caterpillar.
- Operation beyond the design and/or capacity of the machine.
- Wear-out and normal deterioration in performance, accelerated wear-out of components due to operating technique or application; including but not limited to oil consumption and gasket or seal leaks.
- Chemical corrosion and physical or mechanical erosion.
- Unauthorized fuel setting changes.
- Acts of war, vandalism, riot, theft, explosion, collision, fire and/or any other act of nature, person or vermin.
- Operating equipment with improper fuel/fluids or filters, incorrect fuel/fluid levels or contaminated fuel/fluid.
- Modifications, unless requested and authorized by Caterpillar and performed at an approved repair facility.
- Operating at performance settings other than the standard Caterpillar specification.
- Physical damage.
- Any repair if the service meter has been stopped, altered, or misrepresents the equipment's actual usage.
- Transportation, towing costs or field service travel expenses.

- Loss of time, inconvenience, downtime, downtime-related expenses or other incidental or consequential loss that results from a defect in material workmanship.
- Storage or miscellaneous shop supplies.
- Mechanical breakdown resulting from the failure of a non-covered component.
- Freight and taxes.
- Any costs covered by any warranty of the manufacturer, including emissions warranty or repairer's guarantee, regardless of whether the warranty or guarantee is honored.
- Performance complaints, including but not limited to, adjustments to fuel settings or electronic unit ejectors to comply with emissions standards under the Environmental Protection Agency or similar national, federal, provincial or state law.
- Any costs incurred for the manufacturer to comply with the Environmental Protection Agency or similar national, federal, provincial or state law.

► Enrollment

General:

- EPP enrollment is the dealer's responsibility.
- The EPP enrollment must be submitted within 30 days of the requested EPP coverage start date.
 - Entered into UEMS within 30 days of the Used Delivery Date.
- The EPP coverage start date must be after but within 30 days of the inspection date. (Excludes a Delayed Coverage Start Date enrollment in EAME)
- All enrollment exception requests will be reviewed on an individual case-by-case basis.
- Dealer must keep on-file a copy of the machine inspection for verification if requested by Caterpillar.

Enrollments may be completed using the Corporate Claims System (Claims) at <https://claims.cat.com>, by submitting the monthly enrollment form on or before the 10th of each month. **The form can be found at <https://dealer.cat.com/en/ps/esc-epp/machine-worktool/used/blanket.html>** under the Blanket Used tab, or, in EAME only; enrollments are completed via a download of dealer entered sales data in UEMS by Caterpillar Financial Insurance Services.

Note: (EAME Only) A Delayed Coverage Start Date enrollment is an enrollment that has a coverage start date in the future but is sold to the end user at the time of the machine sale/transaction.

Note: Typically, the download of UEMS enrollment data for participating dealers in EAME is initiated twice per month.

Validating Coverage

Dealers can verify BEPP coverage in the Service Information Management System (SIMSi). The Sales and Service screens will show the coverage details and other relative information.

Note: The Delayed Coverage Start Date EPP coverage will not be visible to dealer in SIMSi until the actual and specified coverage start date.

Resold or Transferred Machines

EPP is transferrable when:

- The transfer is within the original selling dealer's service territory, at the dealer's discretion.
 - No notifications are needed.
- The transfer is from one service territory to another within the same Caterpillar defined Region (Americas North, Americas South, APD and EAME) and **IF** agreed to by the original EPP enrolling dealer.
 - An email to the appropriate EPP mailbox from the original EPP enrolling dealer that states they request and agree to the transfer of EPP to the other dealer is sufficient notice to initiate the transfer.

EPP is not transferrable when:

- The transfer is from one Caterpillar Region to another. (Americas North, Americas South, APD or EAME)

Summary of Reimbursement Practices	
Repair Expense	Allowance & Rate
Parts	Americas South and APD - Reimbursable at Dealer Net +10% EAME - Reimbursable at Dealer Net +10% or Dealer Net +25%
Service Items	If made unusable: Americas South and APD - Reimbursable at Dealer Net +10% EAME - Reimbursable at Dealer Net +10% or Dealer Net +25%
Repair Labor	Reimbursable at the Dealer's Registered Sell Rate, unless otherwise specified.
Parts Service Charges	Reimbursable
Parts Salvage Labor	Reimbursable at Warranty Labor Rate, if justified.
Outside Repair Expenses	Reimbursable at Cost
Shop Supplies	Not reimbursable as an itemized expense.
Overtime Labor Rate, Hauling Costs, Freight Charges, Travel Time and Mileage, Meals and Lodging	Not reimbursable