

SERVICE**Extended Coverage****NACD (U.S. and Canada)****Machines**

Engine Emissions Retrofit Extended Program

➤ **Effective January 1, 2015, this program is discontinued.**

Overview

The Engine Emissions Retrofit Extended Program is a program that is available to all U.S. dealers. This bulletin addresses extended coverage for Cat® engines on approved Cat models, that use the emission retrofit program. The NACD Cat dealer must perform the entire emission retrofit. Any customer completed retrofits are not addressed by this bulletin.

Enrollment

Enrollment of the Engine Emissions Extended Retrofit Program must be done promptly by dealers, using the on-line Machine Enrollment Registration (MER) system (Claims <https://claims.cat.com>). Dealers must keep on-file a copy of the customer signed dealer Coverage Agreement, for verification if requested by Caterpillar.

Coverage starts at the Retrofit start date and includes the standard warranty period for the engine. Coverage ends (termination date) either at the applicable months or SMU hours from the Retrofit start date. The start date is the parts start date.

Please see URL: <https://dealer.cat.com/EPPAMNORTHRETROFIT>

Cat Financial Insurance Services' Engine Emissions Extended Retrofit

For repairs performed under this insurance coverage, Insurance Services pays for the parts after the parts warranty expires and labor from day one.

Insurance Services offers dealers coverage for the Engine Emissions Extended Retrofit Program that start at the retrofit start date.

➤ **08.90-00** (08/15)
<https://warranty.cat.com/wtyguide>
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➤ **Indicates change.**

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

Validating Coverage

Dealers can verify Engine Emissions Retrofit Extended Program in Caterpillar's on-line computer system using the Dealer Service System (Claims <https://claims.cat.com>), just like any other coverage. The coverage / customer information screens will show the new coverage start date and coverage start hours for the Engine Emissions Retrofit Extended Program, the coverage details including extended coverage, and the customer name and address.

S.O.SSM Fluid Analysis

For eligibility under any coverage option, the machine must be promptly enrolled in a Cat dealer's S.O.S Fluid Analysis program upon enrollment, and remain enrolled in S.O.S throughout the entire Engine Retro Fit coverage period(s).

The cost of the oil sampling cannot be claimed to Caterpillar, but the dealer may elect to charge the customer. Samples must be taken, processed, and analyzed at prescribed intervals. For the prescribed oil sample intervals, dealers should reference the machine's Operation and Maintenance Manual. Records of the analysis must be kept on-file for verification, if requested by Caterpillar.

Product Improvement and Product Support Programs

All PIP's and PSP's announced after the retrofit will be supported by Caterpillar, to the extent of the announcing Service Letter. For PSP's having prorated Caterpillar participation based on machine age or service hours, the start date and the resulting SMU's are used to determine the amount of Caterpillar Participation.

Parts Replaced Under Parts Warranty and Extended Coverage

Parts replaced under the terms of parts warranty or extended coverage are covered by the remainder of the specific warranty or coverage period. The warranty or coverage on such parts ceases when the original specific period expires, regardless of when the parts were replaced.

Other Extended Coverage

This program only covers the parts and labor for the Retrofit engine arrangement itself. It does not cover any dealer fabricated parts or other parts added to install the engine. This program does not extend to any other terms of Extended Coverage that maybe in place.

Wearout And Extent Of Repair

Wearout and normal deterioration are not covered by the Engine Emissions Retrofit Extended Program. Such occurrences are not due to defects in the material or workmanship.

The intent 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. Engine Emissions Retrofit Extended Program cover only the repair or replacement of the failed part or component and any associated resultant damaged parts. Other parts removed in the process of repair will be reinstalled as is, unless the customer authorizes the additional cost for their account.

Claim Submission and Reimbursement

Under the Engine Emissions Retrofit Extended Program, the dealer is reimbursed Labor at NACD Sell Rate for covered retrofit engines starting with the retrofit engine start date. Parts are reimbursed according to Parts Warranty practices for the first six months of coverage. Following the conclusion of Parts Warranty, covered parts are reimbursed at Cat Consumer List price. The coverage term expires at the applicable months or SMU hours from the retrofit start date.

The following outlines the reimbursement practices to dealers for repair expenses associated with Engine Emissions Retrofit Extended Program:

Parts - Parts are reimbursed according to Parts Warranty practices for the first six month of coverage. There after all parts needed to correct the defect, including gaskets, seals, salvage materials, and any resultant damaged Cat parts are dealer reimbursable at the dealer list (D/L) price in effect on the date of repair.

The replacement parts or components may be either new, remanufactured, or Caterpillar approved repaired, at Caterpillar's choice. When there is a Cat remanufactured part offered that is at standard dimensions, dealers must always use the remanufactured part. For an emergency Class 1 parts order (warranty with machine down) of a remanufactured part that is not-in-stock, the dealer will be shipped the equivalent new part and invoiced at the remanufactured price, plus the standard core charge. This parts department practice is not applicable for major components (i.e. engines, transmissions).

Parts reimbursement includes only those Cat parts needed to restore the product to its operating condition just prior to the covered failure. It does not include reimbursement for parts to restore the product to a like-new condition.

Under parts warranty, the following reimbursement practices apply for resultant damaged parts:

- Resultant damaged parts that were replaced during the rebuild are **totally covered**, and will be dealer reimbursed at 100% of the dealer net (D/N) price.
- Resultant damaged parts that were reused (not replaced) during the rebuild are only **partially covered**, and will be dealer reimbursed at 33 1/3 % of the dealer net (D/N) price.

Dealers should keep on-file all parts invoices of new and remanufactured Caterpillar parts that were installed during the rebuild for possible verification.

Parts Service Charges - Caterpillar Service Department service charges for parts obtained on an emergency order are dealer reimbursable. The service charge is a percentage of the dealer list (D/L) price of the part, as per the following:

- 0 % for slow moving parts
- 5 % for medium moving parts
- 8 % for fast moving parts

Service Items - Lubricants, filters, antifreeze, and other service items made unusable due to contamination by the failure are dealer reimbursable. Such items are reimbursed at the dealer list (D/L) price in effect on the date of repair.

Service items not affected by the failure, which are replaced in the normal course of the repair are not covered by the Blanket Equipment Protection Plan.

Repair Labor - repair labor is reimbursable. This includes labor to inspect, test, diagnose, remove, disassemble, clean, assemble, and install. Such labor is the responsibility of the dealer.

Parts Salvage Labor - Parts salvage labor is dealer reimbursable, if the Caterpillar part can be satisfactorily repaired for a cost that does not exceed 50% of the consumer list (C/L) price for a new or remanufactured part. Salvage labor includes only the time to perform salvage operations such as machining, cutting, burning, trimming, bending, heating, welding, etc. It does not include the labor to disassemble and assemble the part or component associated with performing the salvage operation. Such labor is the responsibility of the dealer.

Labor reimbursement is at the dealer's selling labor rate. Materials such as steel, that are used to perform the salvage operation are dealer reimbursable at the dealer's acquisition cost.

Salvage labor is claimed on a miscellaneous expense line.

Overtime Labor Rate - Labor that is performed after normal working hours will not be reimbursed at the dealer's premium overtime labor rate.

Outside Repair Expenses - Outside repair expenses are dealer reimbursable, if the expense is justified and reasonable. Such expenses are reimbursed at the dealer's actual cost. These expenses are for parts and/or labor from an outside vendor. Examples of labor expenses for sublet repairs include, machining, cylinder head milling, or radiator repair.

It is the dealer's responsibility to ensure that invoice charges for outside repair expenses are reasonable, to insure full Caterpillar reimbursement.

Shop Supplies - Shop supplies are not dealer reimbursable as an itemized parts expense line or parts summary (NLOW) expense line. However, allowance for shop supplies is included in the dealer's labor rate. Examples of shop supplies includes, shop towels, welding rod, wire ties, gasket maker, sealants, solvents, adhesives, primers, paint, assembly lubricants, anti-seize compounds, buffing discs & pads, emory cloth, etc.

Hauling Costs - Costs associated with transporting or hauling a machine for repairs, are not dealer reimbursable.

Freight Charges - Inbound surface or air freight charges for parts shipped from a Caterpillar Parts Distribution Center to the dealer are not dealer reimbursable. Dealer shuttle service expenses between a Caterpillar Parts Distribution Center and the dealer, or between the dealer's stores are also not reimbursable.

Meals & Lodging - Mechanic's meals and lodging associated with field service repairs are not dealer reimbursable. Such expenses are the responsibility of the dealer or customer.

Travel Time & Mileage - Travel time labor and vehicle mileage to and from field service repair sites are not dealer reimbursable. Such expenses are the responsibility of the dealer or customer.

Unique Claim Field Information

The following is the unique claim field information that is required when submitting an Engine Emissions Retrofit Extended Program coverage claim:

Serial No. - Machine Serial Number.

Delivery Date - Always leave blank.

Parts Start Date - Enter the date that the Engine Retrofit machine was delivered to the customer.

Claim Story - In addition to the usual description of the complaint, cause, and correction, the first line of the claim story should state:

- "This claim is in conjunction with Engine Emission Retrofit program."

Summary Of Reimbursement

The chart below summarizes the reimbursement practices for expenses associated with Engine Emissions Retrofit Extended Program.

Summary Of Reimbursement Practices	
Repair Expense	Allowance & Rate
Parts	Reimbursable at C/L
Service Items	Reimbursable at C/L, if made unusable.
Parts Service Charges	Reimbursable
Repair Labor	Dealer sell rate
Parts Salvage Labor	Reimbursable at wty labor rate, if justified.
Overtime Labor Rate	Not Reimbursable
Outside Repair Expenses	Reimbursable, at cost.
Shop Supplies	Not Reimbursable as an itemized expense.
Hauling Costs	Not Reimbursable
Freight Charges	Not Reimbursable
Meals & Lodging	Not Reimbursable
Travel Time & Mileage	Not Reimbursable

