

MBE 900 ENGINE USED IN SCHOOL BUS APPLICATIONS POWER PROTECTION PLAN AGREEMENT

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I. INTRODUCTION

This Agreement describes the coverage provided under the Detroit Diesel Corporation (DDC)* "Power Protection Plan".

The coverage provided is applicable to the product(s) described in the Agreement Registration, a separate document.

All eligible failures, as defined elsewhere in this Agreement, should be reported promptly to the Detroit Diesel Corporation Distributor or authorized Service Dealer from whom this Agreement was purchased or, if more convenient, to any other authorized DDC service outlet.

II. KEY TERMS

AGREEMENT PERIOD: The "Power Protection Plan" coverage will commence upon the expiration of the standard new product warranty and shall extend to the time or odometer (hub meter) mileage limits, whichever occurs first, specified in the coverage selection. Coverage time and mileage limitations are measured from the date of delivery of the product to the first retail purchaser.

CUSTOMER: The person, organization or corporation named in the Agreement Registration.

ELIGIBLE PRODUCT: The Detroit Diesel engine described in the Agreement Registration. Products eligible for this coverage are new Detroit Diesel MBE 900 engines used in school bus applications operated in the U.S. and/or Canada and sold at retail.

FAILURE: Any original or Like Replacement Part covered by the Agreement that fails to perform in normal service due to defects in material or workmanship. Original or replacement parts that fail to perform as the result of wearout are not included under this definition.

ODOMETER OR HUB METER MILES: The mileage recorded on an odometer/hub meter (which has not been stopped or changed to lower mileage from actual mileage). In the case of swing engines or an odometer/hub meter that is broken, the actual mileage on the engine is to be determined from accurate and complete service records.

PARTS: Parts manufactured by, or for, and distributed by Detroit Diesel Corporation.

QUALIFIED PARTS: All genuine DDC engine Parts except injector assemblies, accessories (i.e., generator, alternator, starting motor, air compressor, hydraulic pump, vacuum pump), maintenance items, crankshaft seals, water pump seals, replacement of pistons and rings resulting from wearout.

LIKE REPLACEMENT PARTS: New genuine DDC Parts or remanufactured Parts or components supplied or approved by DDC that replace parts covered under this Agreement.

REPAIR: The correction by any DDC Distributor or authorized Service Dealer during normal working hours of a defect or malfunction in an existing DDC Part, or the replacement of that Part using new Parts or remanufactured parts supplied or approved by DDC.

III. PROVISIONS

A. CONDITIONS

Detroit Diesel Corporation (DDC)* will repair any defective or malfunctioning Qualified Part(s) of each Eligible Product during the Agreement Period, in accordance with the Agreement Limitations and Adjustment Schedule applicable to the coverage, as shown in Part B – Coverages.

The "Power Protection Plan" provides for conditions resulting from any original or Like Replacement Part covered by the Agreement that fails to perform in normal use and service due to defects in material or workmanship.

B. COVERAGES

COVERAGE FOR MBE 900 ENGINES

Under the Power Protection Plan for MBE 900 engines used in school bus applications, three options are available.

OPTION 1 – Provides coverage of 100% parts and labor on Qualified Parts that fail, under normal use and service, due to defects in workmanship or material, up to 6 years or 250,000 miles (400 000 km). Coverage and coverage numbers are shown below:

OPTION 1 (COVERAGE SCHEDULE)					
COVERAGE NUMBER	AGREEMENT LIMITATIONS			ADJUSTMENT CHARGE TO BE PAID BY CUSTOMER	
	REV. NO	YEARS	MILES/KM	PARTS	LABOR
20SE90160	0503	6	100,000 mi 160 000 km	NO CHARGE	NO CHARGE
20SE90161	0503	6	150,000 mi 240 000 km	NO CHARGE	NO CHARGE
20SE90162	0503	6	200,000 mi 320 000 km	NO CHARGE	NO CHARGE
20SE90163	0503	6	250,000 mi 400 000 km	NO CHARGE	NO CHARGE

OPTION 2 – Provides coverage of 100% parts and labor on Qualified Parts that fail, under normal use and service, due to defects in workmanship or material, up to 7 years or 250,000 miles (400 000 km). Coverage and coverage numbers are shown below:

OPTION 2 (COVERAGE SCHEDULE)					
COVERAGE NUMBER	AGREEMENT LIMITATIONS			ADJUSTMENT CHARGE TO BE PAID BY CUSTOMER	
	REV. NO	YEARS	MILES/KM	PARTS	LABOR
20SE90164	0503	7	100,000 mi 160 000 km	NO CHARGE	NO CHARGE
20SE90165	0503	7	150,000 mi 240 000 km	NO CHARGE	NO CHARGE
20SE90166	0503	7	200,000 mi 320 000 km	NO CHARGE	NO CHARGE
20SE90167	0503	7	250,000 mi 400 000 km	NO CHARGE	NO CHARGE

OPTION 3 – Provides coverage of 100% parts and labor on Qualified Parts that fail, under normal use and service, due to defects in workmanship or material, up to 8 years or 250,000 miles (400 000 km). Coverage and coverage numbers are shown below:

OPTION 3 (COVERAGE SCHEDULE)					
COVERAGE NUMBER	AGREEMENT LIMITATIONS			ADJUSTMENT CHARGE TO BE PAID BY CUSTOMER	
	REV. NO	YEARS	MILES/KM	PARTS	LABOR
20SE90168	0503	8	100,000 mi 160 000 km	NO CHARGE	NO CHARGE
20SE90169	0503	8	150,000 mi 240 000 km	NO CHARGE	NO CHARGE
20SE90170	0503	8	200,000 mi 320 000 km	NO CHARGE	NO CHARGE
20SE90171	0503	8	250,000 mi 400 000 km	NO CHARGE	NO CHARGE

Coverage under all Options includes R & R and the replacement of service supplies (i.e. coolant, belts, and lubricating oil) when not reusable due to a covered failure. In addition, progressive damage to any engine part resulting from the failure of a Qualified Part is covered.

* In Canada, reference is to Detroit Diesel of Canada Limited
20SE901 (0503)



DETROIT DIESEL MBE 900 "P3" Power Protection Plan Agreement School Bus Applications

C. COVERAGE LIMITATIONS

1. The replacement of normal maintenance items as outlined in the Engine Operator's Guide (such as filters, belts, hoses, air cleaners, and fluids) is not covered.
2. Performance of engine tune-up is not included in the coverage unless required with the repair of a Qualified Part.
3. Coverage does not include parts not furnished by DDC, or parts furnished by any other manufacturer or equipment supplier as part of the original vehicle or equipment. Examples of such parts may include air cleaners, air cleaner ducting, radiator, radiator connections.
4. Coverage does not include progressive damage to any part, including Qualified Parts, resulting from a failure of a part not covered under this Agreement.
5. Failure due to misuse, negligence, accident, alteration, lack of proper maintenance or the use of parts not approved by DDC is not covered under this Agreement.
6. Coverage does not include failure due to chemical corrosion and physical erosion.
7. Coverage does not include repairs or replacement of Qualified Parts performed by other than an authorized DDC service outlet, so as to affect adversely, in the judgment of DDC, its performance and reliability.
8. Failure caused by fire, theft, freezing, vandalism, riot, explosion, lightning, earthquake, windstorm, hail, water or flood is not covered under this Agreement.
9. Coverage does not include failure covered by a repairing outlet's guarantee, loss of time, loss of use of the product, towing, inconvenience, lodging, food or other consequential loss that may result from a failure.
10. Piston and piston ring failures attributable to wearout are specifically excluded from this Agreement.

The wear rate of parts in any engine, and especially those parts within the combustion area, will vary depending on operating conditions and environment. Conditions such as load, trailer configuration, road speed and road conditions, as well as the quality of air, fuel, lube oil and lube oil filters bear a direct relationship to the wear rate and resulting life of parts.

Depending upon the severity of these various conditions, parts wear and resulting failure could occur within the limitations of this coverage.
11. Coverage does not include travel time and mileage or overtime.
12. Coverage does not include performance complaints (including but not limited to low power, poor fuel economy etc.) unless caused by the failure of a Qualified Part.

D. CUSTOMER RESPONSIBILITIES

1. The owner is responsible for the performance of regular maintenance services as specified in the Engine Operators' Guide.
2. In the event of a failure, a customer must:
 - a. Use all reasonable means to protect the product from more damage.
 - b. Notify any authorized DDC service outlet, as soon as possible.
 - c. Present proof of coverage to the authorized repairing outlet (Agreement Registration form).
 - d. Provide DDC with any information required. If requested, the customer must provide DDC the failed material for inspection.

E. GENERAL PROVISIONS

1. This Agreement will terminate when the customer sells or loses possession of the product.
2. "Power Protection Plan" coverage which has been purchased at retail by the original owner may be transferred to subsequent owners of the product. The coverage transferred is limited to the time remaining on the unused portion of the coverage. To determine eligibility for transfer refer to the Agreement Registration form. Coverage can be transferred for a fee of \$500.00 (U.S. \$).

In order to have a valid transfer, the owner must supply the subsequent owner with his copy of the Agreement Registration form. The new owner must complete the Transfer of Coverage portion of the Agreement Registration within ten days, and forward the Agreement Registration along with a check or money order, if applicable directly to: Detroit Diesel Corporation, 13400 Outer Drive, West, Detroit, Michigan 48239-4001 – Attn: Warranty Administration, "P3" (BX 5).
3. The previous owner shall transfer to the new owner, all available service records, repair orders, and other such related documents.
4. This Agreement applies to a failure of Qualified Parts on eligible MBE 900 engines operated in the U.S. and Canada.
5. Like Replacement Parts or engines used to replace Qualified Parts under warranty or the DDC "Power Protection Plan" will assume the identity of Parts replaced and be entitled to the remaining coverage, except as limited under "Coverage Limitations" (Sect. III-C).
6. Repairs under the terms of this Agreement will be performed during normal working hours at any authorized DDC service outlet's place of business.
7. The coverages which vary, depending on the engine series and applications, can be purchased by the retail purchaser at the time of sale or within ninety (90) days of delivery, from any authorized DDC service outlet.

DETROIT DIESEL

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