DEPARTMENT OF THE ARMY TECHNICAL BULLETIN

WARRANTY PROGRAM FOR Asphalt Mixing Plant M081, NSN 3895-01-369-2551

Contract Number DAAE07-92-C-1191

Headquarters, Department of the Army, Washington, DC 30 July 1993

REPORTING ERRORS AND RECOMMENDING IMPROVEMENT

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- General. This bulletin provides implementation instructions for the Warranty on the Asphalt Mixing Plant. It contains instructions for obtaining services and/or supplies covered under warranty. This bulletin also describes methods of processing warranty claims. For additional warranty information on the Asphalt Mixing Plant or any U.S. Army Tank-Automotive Command (TACOM) equipment contact your local Warranty Control Office/Officer (WARCO) or TACOM Logistics Assistance Representative (LAR). If your WARCO or TACOM LAR is not available or if additional information is required, contact TACOM. The number to call is DSN 786-7423, COMMERCIAL (313) 574-7423. The caller should be prepared to provide: (1) name, (2) DSN and commercial telephone numbers, (3) complete unit designation, (4) identification of the vehicle to include serial number(s), (5) a brief description of the problem and (6) the contract number (see paragraph 3 a.).
- 2. Explanation Of Terms.

- **a. Abuse.** The improper use, maintenance, repair or handling of warranted items that may cause the warranty of those items to become void (for example, not following service intervals, using the vehicle for other than what is intended).
- **b.** Acceptance. The execution of the Acceptance Block and signing of DD Form 250, by the authorized Government representative, unless end items are placed in storage in which case acceptance shall mean date of shipment from storage facility as reflected on DD Form 1149 or DD Form 1348-1.
- **c.** Acceptance Date. The date an item of equipment is accepted into the Army's inventory by the execution of the Acceptance block and signing of a DD Form 250 or approved acceptance document, by an authorized representative of the Government.
- **d. Contractor.** The supplier of equipment who enters into an agreement directly with the Government to furnish supplies.

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- **e. Correction.** The repair of defective supplies with the Government having the option to correct the defect or direct the contractor to make the correction.
- **f. Defect**. Any condition or characteristic in the supplies that is not in compliance with the requirements of the contract or that does not otherwise function as intended.
- **g. Failure**. A part, component, or end item that fails to perform its intended use.
- **h. Owning Unit.** The Army unit authorized to operate, maintain and use the equipment.
- i. Reimbursement. A written provision in this warranty in which the Using/Support Unit may make the necessary repairs, with or without prior approval from the contractor, and the Government will be reimbursed for the repair parts and labor costs.
- **j. Repair.** A maintenance action required to restore an item to serviceable condition without affecting the warranty.
- **k. Supplies.** The end item and all parts and accessories furnished by the contractor.
- I. Supporting Repair Facility. The repair activity authorized to accomplish warrantable repairs at the appropriate level of maintenance identified in the Maintenance Allocation Chart.
- **m. WARCO.** Serves as the intermediary between the troops owning the equipment and the local dealer, contractor or manufacturer. All warranty claim actions will be processed through the WARCO.
- **n.** Warranty. A written agreement between a contractor and the Government which outlines the rights and obligations of both parties for defective supplies.
- **o. Warranty Claim.** Action started by the equipment user for authorized warranty repair or reimbursement.
- **p. Warranty Expiration Date**. The date the warranty is no longer valid. This date will be 24 months from the Government acceptance date or 200,000 tons of mixed asphalt produced.
- **q. Warranty Period.** Time during which the warranty is in effect. Normally measured as the maximum number of years, months, days, miles, or hours used.
- **r. Warranty Start Date.** The date the warranty is put into effect (Government Acceptance).

3. Coverage-Specific.

- **a.** This bulletin applies to the Asphalt Mixing Plant, Model M081, NSN 3895-01-369-2551, CAGE 3AB03. The item is manufactured by WRT Equipment Ltd, Saskatoon, Saskatchewan, Canada, under contract # DAAE07-92-C-1191. Inquiries to WRT Equipment Ltd can be made by calling 1-306-244-0423.
- **b.** The contractor warrants the supplies are free from defects in design, material, and workmanship for a period of 24 months or 200,000 tons of asphalt, whichever comes first from the warranty start date. Any replacement parts and supplies are also subject to the same extent as supplies originally delivered.

- **c.** If a defect/failure is caused by or falls within any of the following categories, it is not considered warrantable and a claim should not be initiated:
 - (1) Misuse or negligence
 - (2) Accidents
 - (3) Improper operation
 - (4) Improper storage
 - (5) Improper transport
 - (6) Improper or insufficient maintenance service
 - (7) Improper alterations or repairs
- (8) Defect/failure discovered or occurring after warranty expiration date
- (9) Fair wear and tear items such as drive belts, brake shoes, and etc).

4. Contractor Responsibilities.

- a. When the WARCO has directed the contractor to correct the supplies, the contractor will furnish all material required to correct the defective supplies. Repairs and parts shall be initiated/provided within ten (10) working days after receipt of written claim notification except as the parties may otherwise agree in writing. Furthermore, the contractor will provide a copy of the work order to owning unit and identify upon completion of repair specific defect(s), corrective actions, all parts required, labor hours, and serial number of end item.
- **b.** When the contractor receives written notification requiring contractor repair, they will have the option:
 - (1) to correct the supplies in the field, or
- (2) return the vehicle or parts to the contractors designated facility for correction.

When the contractor corrects the supplies all labor involved shall be borne by the contractor. Additionally, the contractor shall arrange and bear all transportation costs of the supplies to its facility and return to user.

c. The contractor, within five (5) working days of receiving such notice, shall notify the warranty claimant by telephone as to the method of correction, date(s) work is to be performed and by whom. The notification shall include the name and location of the repair facility, if a contractor/dealer facility will be used, and shall indicate date(s) on which the repair work will be done and identify the dealer or individual(s) who will perform the work.

Should the contractor fail to accomplish required warranty corrections within 10 working days after notification of warranty claim, the contractor agrees to extend, at no additional cost, the terms of coverage of this warranty for a time equal to the period beginning with Government formal notification of claim until the supplies are corrected.

- **d.** The contractor has the right to inspect any defective supplies, wherever located, within thirty (30) days of notification of warranty claim for the purpose of evaluating the cause of, or existence of the defect(s). If instructions are not received within the 30 day period, the Government will dispose of the defective supplies.
- **e.** The contractor will initiate work stoppage of repair actions, and notify the owning unit, in the event the contractor determines the defective supplies are clearly non-warrantable (para. 3d).
- **5. Government Responsibilities.** The Major Subordinate Command for the Asphalt Mixing Plant is the U.S. Army Tank-Automotive Command (TACOM), Warren, MI 48397-5000. TACOM is responsible for managing and implementing the warranty. Warranty claims will be reported to:

Commander U.S. Army Tank-Automotive Command ATTN: AMSTA-MM Warren, MI 48397-5000 Telephone: (DSN) 786-7423 Commercial (313) 574-7423

a. TACOM will:

- (1) Verify, review, process and if valid and complete, submit claims (reimbursable and/or disputes) to the contractor.
- (2) Reject claims that are not valid and send them back to the local WARCO with a short explanation of why the claim is rejected.
- (3) Request additional information for incomplete claims.
- (4) Provide warranty claim acknowledgment/ closeout letters and/or parts/assemblies disposition instructions to the local WARCO.
- **(5)** Insure the contractor performs in accordance to the terms of the contract.

b. Equipment owning unit will:

(1) Identify defects/failures and verify the defects/failures are warrantable.

- **(2)** Submit warranty claims, using DA Form 2407, DA Form 2407-1, or DA Form 5504, DA Form 5504-1 through channels to the supporting repair facility.
- (3) Tag and retain (IAW DA PAM 738-750 and this TB) parts, pieces of parts and/or assemblies removed at the owning unit level and as a result of a warrantable defect/failure and/or correction.

c. Supporting repair facility will:

- (1) Identify defects/failures as warrantable (if owning unit has not already identified them). Verify defects/ failures are warrantable.
- (2) Review, process and submit valid warranty claims to the local WARCO if the DA Form 2407, DA Form 2407-1, or DA Form 5504 or DA Form 5504-1 is complete and correctly filled out.
- (3) Reject invalid warranty claims or request additional information for incomplete and incorrect claims.
- **(4)** Coordinate with the owning unit and decide which option for repair is desired to correct the warrantable defect/failure.
- **(5)** Depending on which repair option was chosen (Government or contract repair) provide labor/parts required to accomplish the warrantable repairs.
- **(6)** Tag and retain (IAW DA PAM 738-750 and this TB) all parts, pieces or parts and/or assemblies removed as a result of warrantable defect/failure and/or correction.

d. Local WARCO will:

- (1) Verify, administer and process warranty claims to the TACOM WARCO (IAW DA PAM 738-750 and this TB).
- (2) Act as a liaison between owning unit, the contractor, supporting repair facility and TACOM.
- (3) Notify the owning units of all warranty claim acknowledgments/close-outs, information and/or instructions received from TACOM or the contractor.
- (4) Act as a liaison between local dealers and the Army.

e. Alterations/Modifications.

Alterations/modifications shall not be applied unless authorized by TACOM.

6. Warranty Data Plate.

- **a.** All vehicles will have a warranty data plate. The contractor is required to mount this data plate within clear view of the operator.
- **b.** When the vehicle is received, the owning unit should locate the warranty data plate and check the warranty

start date with date shown on the applicable DD Form 250 or DD Form 1149. If these dates differ, disregard the data plate. The date shown on the DD Form 250 or DD Form 1149 is the date to be used as a warranty start date.

7. Claim Procedures.

- **a.** The procedures for reporting warranty claims are found in DA PAM 738-750 and this bulletin. Responsibilities of the MACOM are found in AR 700-139. For all levels of maintenance operating under the Standard Army Maintenance System (SAMS). Warranty Claim Actions are processed on forms DA Form 5504 and DA Form 5504-1. For those units not operating under SAMS, use DA Form 2407 and DA Form 2407-1. It is very important to fill in the blocks on the forms as accurately as possible.
- **b.** The contractor shall be notified in writing, utilizing DA Form 2407 or DA Form 5504 by the local Warranty Control Office/Officer (WARCO) following the discovery of a defect in supplies which requires contractor repair and/or replacement parts. This shall constitute formal notification of a warranty claim and initiate the time period for contractor responsibilities and action under the warranty. This notification shall include, but not be limited to furnishing of the equipment serial number, operating hours, part number or NSN of the defective part and circumstances surrounding the defect(s). At this time, the contractor will further be informed whether the owning unit has elected: (1) to correct the defect themselves or; (2) to direct the contractor to correct the defect. completion of contractor repair forward completed warranty claims (Information Only) to TACOM. Additionally, the local WARCO will forward claims to TACOM utilizing DA Form 2407 or DA Form 5504 for any warrantable repairs (parts and/or labor) accomplished by the owning unit which requires contractor reimbursement to the Government.
- c. The contractor shall reimburse the Government for the cost of labor and/or replacement parts involved in the Government correction of the defect. The cost of labor involved shall be computed at the rate of \$34 per hour multiplied by the number of labor hours in such services appearing in the contractor's flat rate time schedule manual or the Government's Maintenance Allocation Chart (MAC) whichever is less. Additionally, the cost of replacement parts obtained through the Government's supply channels will be determined by the amount identified in the contractors current commercial dealer net price or Army Master Data File (AMDF) price, whichever is less. Furthermore, the owning unit may direct the contractor to provide the replacement parts that prove to be defective within the warranty period, without cost to the Government, directly to their location. The contractor shall furnish replacement parts within ten (10) working

days after receipt of written claim notification. Warranty claims for reimbursement, where repair labor costs and replacement parts costs combined do not exceed \$150.00 for any one failure will not be submitted to TACOM.

- **d.** Identification of failed items. Failed warranty items shall be tagged/identified to prevent improper repair or use. Documents that describe the use of DA Form 2402 Exchange Tag and DA Form 2407 or DA Form 5504 Maintenance Request shall be referenced. Items requiring special handling, storage or shipment during the processing of claims shall be identified.
- **e.** Disposition. The repair activity shall retain defective supplies for thirty (30) days following receipt of acknowledgment of a warranty claim from TACOM or contractor. If receipt of acknowledgment is not received, inquiries should be made to TACOM through your local WARCO. If receipt of acknowledgment is received but no instructions are forthcoming within thirty (30) days of receipt, supplies may be disposed.
- f. Invalid Warranty Claims. When supplies are inspected by the contractor and found to be non-warrantable due to abuse or improper maintenance, or the supplies are found to be serviceable, the repair activity submitting the claim will be required to make reimbursement for contractor services. All failed items returned for warranty claim action will be monitored by TACOM. Additionally, regarding contractor repair, the local WARCO must stipulate at the time of request for services that either no non-warranty work be done or be prepared to pay for such work.
- **8. Reimbursement For Army Repair.** The contractor shall reimburse the Government by submitting monies monthly to TACOM, ATTN: AMSTA-EFD, Warren, Michigan 48397-5000. In the event that the repair activity should receive any reimbursement from the contractor the monies must be forwarded to the above address.
- **9. Claim Denial/Disputes.** All denials or disputes will be handled by TACOM.
- **10. Reporting.** Reporting or recording action on a failed item shall be as specified in DA PAM 738-750.

Contractor or Repair Activity unique forms shall not be used.

11. Storage/Shipment/Handling.

- a. Storage. Not applicable.
- **b. Shipment.** See paragraph 4 b and 7 c.
- c. Handling. See paragraph 4 b and 7 c.

By Order of the Secretary	of the	e Army:
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