

Used Equipment Warranty for Machining Centers

Underwritten by



Five Reasons To Consider a Used Equipment Warranty

1 You Depend On Equipment

Everyday the competition gets tougher; the margins narrower and the turn-times shorter. Take a look around your shop – your equipment is the lifeline of your operation. Not only do you depend on it to meet production orders, your equipment also represents a huge financial investment.

2 Consider all of your buying options

You may be considering used equipment because you need it NOW, or because of the unbeatable value it offers in today's market. But new or used, it's hard to pay good money for capital equipment, only to pay again for unexpected breakdowns after startup. That's the concern that drives some buyers to spend more than they have to, when a good used machine would certainly meet their needs. Now there's a way to protect your purchase with a used equipment warranty, underwritten by The Hartford Steam Boiler Inspection and Insurance Company. It's affordable protection that picks up normally when your dealer's return privilege ends.

3 Broad coverage for the money

New equipment warranties are designed to cover defects in manufacturing and workmanship. And often this type of limited warranty will only cover parts. OEM warranties do not cover the most common breakdowns that can happen to equipment during normal operation.

But bad things can happen to good equipment. A breakdown warranty underwritten by Hartford Steam Boiler is designed to cover electrical and mechanical damage occurring during normal operation. Damage such as:

- Motor Burnout
- Broken Parts
- Wiped Bearings
- Gear Breakdown
- Structural Cracking
- Control and Circuit Board Breakdown

In today's world, used doesn't mean old or simple. Often it means getting a precision machine with sophisticated controls for pennies on the dollar. But, remember that it can be just as costly to repair complex used equipment, as it is to repair new.

4 Be prepared for the unexpected

Machining centers are particularly susceptible to damage because of the high speeds at which they operate. Accidental collision of the tool carriage or work piece can be catastrophic. In addition, there is a complex dependency between drive components, lubricating systems, tool changers, power supply, and CNC controls that can turn a small problem into a big problem in a hurry. For example, the loss of a small lubricating pump may be fairly easy to fix, but the resulting damage due to a lack of lubricant can be very costly.

5 Even good equipment can break down

The following actual losses were reported to Hartford Steam Boiler under the used equipment warranty:

A **machining center** spindle started to make noise. As the operator attempted to determine where the noise was coming from, the spindle slowed and then stopped. The spindle bearings had seized, and the headstock bearings were also physically damaged.

Total Loss for Parts and Labor: \$14,626

A **shear** started to work intermittently. Several of the bolts that hold down the hydraulic tank body had broken off. This caused the valve body to jump and twist. The damage resulted in debris falling into the hydraulic tank, which in turn caused even more damage to the hydraulic system.

Total Loss for Parts and Labor: \$7,700

A **laser cutter** used to produce custom metal parts experienced power spikes that extensively damaged its electronic controls and power supply. The burned-out components needed to be replaced.

Total Loss for Parts and Labor: \$6,361

A **CNC chucker** was not indexing correctly, and the problem was traced to a broken roll pin. In order to fix the problem, the entire turret assembly had to be removed. In this case, the labor to disassemble and recalibrate the machine was more costly than the broken part.

Total Loss for Parts and Labor: \$2,285

Hartford Steam Boiler is a leading equipment breakdown insurer and a provider of specialty insurance products. This summary gives general information. The actual warranty terms and conditions are available at www.hsb.com/warranty02