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REVISION HISTORY

Revision Level	Issued By (Department)	Authors	Description of Change	Date
1	Parts	Joshua Brock, Rhonda Gelinias	First Edition	03/26/2018

APPROVALS

Name	Position	Date Reviewed
<i>Procedure Committee</i>		

1. PURPOSE

This procedure is used to explain the various examples of when freight charges will be applied to TEPS/AMD/ISD parts shipments.

2. SCOPE

This procedure applies to TEPS/AMD/ISD Second Level CAT Dealers and Milton Cat Parts Department Personnel

3. DEFINITIONS

TEPS - Truck Engine Parts and Service Dealer
 AMD - Authorized Marine Dealer
 ISD - Industrial Service Distributor

4. RESPONSIBILITIES

Parts Trainers
 Parts Managers
 Parts Supervisors
 Parts Counter Personnel

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5. PROCEDURE

Stock Order Freight Charges

The TEPS/AMD/ISD dealer will pick up orders within a 30-mile radius of Milton CAT branch store in which the order was placed with no freight fees assessed. Upon TEPS/AMD/ISD dealers request, and the TEPS/AMD/ISD dealer is outside of the 30-mile radius, part(s) can be shipped from a Milton CAT branch to the dealers location. These deliveries will be charged a flat rate of \$100.00 per skid. Any requests for shipment of orders within the 30-mile radius will be at the prevailing freight rate.

Freight Charges

Freight from a Caterpillar facility to the dealer is included in the parts price or the Transportation and Import (T&I) adjustment factor and is not claimable as a separate expense. Dealer shuttle service expenses between a Caterpillar Parts Distribution center and the dealer or between dealer stores is not reimbursable. Exceptions may apply in the following situations:

- Emergency charges
- Premium freight
- Special handling charges

Refer to the product specific bulletin (3.01 for engines) for additional information

Emergency Order Freight Charges

- All UPS freight charges will be included on the original sales order document. UPS freight is calculated by the gross weight (shipping weight) of the order, the originating zone, and destination zone. When logistically practical, parts should be shipped from the dealer’s local Milton Cat Parts Department to minimize freight, or sourced and consolidated from the same depot to avoid multiple freight charges.
- If a dealer has a need to know the freight costs on the same day of the sale, the TEPS/AMD/ISD dealer should call their local Milton Cat Parts Department. Freight costs from a Milton Cat location to a dealer should be accurately calculated at the time of the sale, however for accurate freight charges from an outside depot (YRK, MOR, etc.) we will need to wait for the invoice from the carrier. Freight rate charts are used for estimates only.
- If a part(s) is a non-stock item at the location from which the order was placed, and the part(s) are sourced from a Cat parts depot that utilizes a shuttle (YRK, MOR, CLA), a freight charge will be assessed based on the weight of the part(s) with a cap of \$55.00 per depot sourced on the sales order. Freight will not be assessed between Milton CAT facilities regardless of stock status.
- Orders placed via ecommerce (PartStore, parts.cat.com) are finalized through the Milton Cat Parts Department. Freight is not accurately assessed until the backorder review has been

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processed and an acknowledgment is sent by CAT. Shuttle fees will be known at the time of the CAT acknowledgement, however 3rd party freight carrier charges can accurately be assessed when the invoice is sent by the carrier.

- Engines that are ordered emergency are assessed a flat fee of \$150.00

6. APPLICABLE REFERENCES

Warranty Bulletin 1.02

Warranty Bulletin 3.01