1. **PURPOSE**

   This process is used by full service TEPS/AMD/ISD dealers primarily to order parts for replenishing their inventory.

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
   - Second Level Dealer Personnel
5. PROCEDURE

All orders should be placed electronically via parts store, parts.cat.com or business systems provider. Only full service TEPS/AMD/ISD dealers are eligible to place daily stock orders. Stock orders provide pricing equal to TEPS/AMD/ISD net, less 5%. Once an order is received from the TEPS/AMD dealer, the order will be directed to the York, PA. Parts Distribution Center by the Milton Cat central back order group. York, PA will be responsible for packing the order separately and shipping it to the appropriate Milton Cat store. These orders are shipped from York to Milton Cat freight free. It is recommended that heavy-duty full service dealers maintain a 50% or better stock order ratio.

For more information contact your local TEPS/AMD/ISD coordinator.

- One TEPS/AMD/ISD stock order per day for each full service dealer.

- Effective 10/01/02 the extended dealer net value of each order must be at least $250.00, excluding remanufactured core values.

- Package Quantity Items-Caterpillar does have certain part numbers that are shipped in standard package quantities. Some examples of standard package quantity items are o-rings, washers, bolts, etc.

- TEPS/AMD/ISD dealers will pick up stock orders within a 30-mile radius of the Milton Cat store that the order was placed. Any requests made by a TEPS/AMD dealer to have a stock order shipped by freight within the 30 mile radius will be shipped at the prevailing standard freight rate.

- Delivery of stock orders via common carrier outside the 30-mile radius will have a freight charge assessed. Refer to Procedure 276.175.00 for more information.

- Stock order backordered items-A full search is conducted by Caterpillar at 15 Caterpillar distribution facilities in the U.S. If there is no availability at those facilities the TEPS/AMD dealer will be contacted by the Milton Cat Parts Department by means of e-mail or by phone. The following options are available for any parts that cancel after a full search of all Caterpillar facilities has been done. The TEPS/AMD dealer can either cancel the part(s) number or place the part(s) on a stock backorder.

Note: A part that goes on back order and is not readily available can be filled from a Milton Cat store’s own inventory if sufficient quantity exists and there is not a parts quality freeze.
Stock Order Overages and Shortages

Milton Cat will claim both overages and shortages.

If the TEPS/AMD/ISD dealer receives a stock order and discovers an overage and/or shortage the procedure is as follows:

- The TEPS/AMD/ISD dealer contacts their representative at the Milton Cat branch from which the order was placed to inform them of the discrepancy.
- Have the pick/stock tag information ready. It is necessary to make the claim.
- Milton Cat branch will credit the TEPS/AMD/ISD dealers account for shortages or invoice the TEPS/AMD/ISD dealers account for any overages if the dealer chooses to keep part(s) in their stock or until the part(s) are received back from the TEPS/AMD/ISD dealer.
- If the TEPS/AMD/ISD dealer chooses not to keep the part(s) in their stock, the part(s) should be returned to the Milton Cat store, from which they ordered the part(s), with the pick/stock tag included. A TRR form should be filled out. The new part box should be checked and the TRR form marked as a "stock order overage."
- The Milton Cat branch will make an effort to remedy a shortage utilizing our inventory. The Milton Cat branch store will then create and file the claim for the discrepancy.
- In the case of a shortage/overage the TEPS/AMD dealer will be requested to reorder the part(s) on the next stock order.

6. APPLICABLE REFERENCES