



2020 ON-HIGHWAY TRUCK NATIONAL PROGRAMS

TEPS DEALER VERSION

Key Changes - 2019 OPT program to the 2020 Lower and Higher Level Rebuild Programs

• 2019 OPT program

- Reimbursement was paid based on Pre-Acert, 04 Acert, and 07 Acert
- Different reimbursement was paid depending if the OPT was done at a Cat or TEPS dealer
- Funds were required to be used towards OPT coverages



• 2020 In-shop rebuild programs

- Funds are required to be given to the customer on their invoice
- Funds can be used towards coverages: OPT, Precious Metals kit coverage, Component Plus, etc
- Reimbursement from this program is not required to be used for coverages. They can be used towards the cost of the rebuild
- Flat dollar amounts will be paid:
 - Lower level: \$2,000 (Same for Cat and TEPS dealers)
 - Higher level: \$2,500 (Same for Cat and TEPS dealers)

Why transition from the OPT program to a flat dollar In-shop rebuild program?

- Be more flexible to what the customer wants or needs when doing the rebuild
- Combat the growing pressures of the aftermarket overhaul kits and piece parts
- Opportunity to grow in-shop rebuilds when bidding against rebuilds using non-genuine overhaul kits
- Cat powered trucks on average are 18.6 years old. Some customers aren't valuing multi-year, unlimited mile coverages depending on the trucks usage

2020 In-shop Rebuild Program

US Dealers:

Lower level rebuild Program - NAT-ENG-276

Higher level rebuild Program - NAT-ENG-3135

Canadian Dealers:

Lower level rebuild Program - NAT-ENG-396

Higher level rebuild Program - NAT-ENG-3136

- Post Sale Credit
- No counter sales apply
- Customer invoice must be attached to the claim
- HD engines only
- **JAN 1 – DEC 31, 2020**



In-shop Rebuild Programs

Lower level rebuild Program:

- **NAT-ENG-276- US Dealers**
- **NAT-ENG-396- Canadian Dealers**
- Minimum of a Gold Kit + Head or Platinum Kit (or equivalent)
- **Program Reimbursement: \$2,000**
 - **This reimbursement amount applies to Cat and TEPS dealers**
 - **This reimbursement applies to any HD on-highway truck engine**

Higher level rebuild Program:

- **NAT-ENG-3135- US Dealers**
- **NAT-ENG-3136- Canadian Dealers**
- Gold Kit + Head or Platinum Kit (or equivalent)
PLUS
- Turbocharger(s)
- **AND**, 1 additional component
 - Air compressor, VVA, Oil Cooler OR Injector set
- **Program Reimbursement: \$2,500**
 - **This reimbursement amount applies to Cat and TEPS dealers**
 - **This reimbursement applies to any HD on-highway truck engine**
- *ACERT engine requires both turbos to be replaced
- **If Platinum kit used additional component qualification met (injector set in kit)
- ***If injector is chosen optional component, must replace all 6 (set)

Serial Number Prefix's That Apply

- 07 ACERT: SDP, LEE, C9S
- 04 ACERT: NXS, MXS, BXS, KCB, KCA, 9DG
- Pre-ACERT: All other HD engines full under Pre-ACERT
 - MD engines are excluded from the national rebuild programs



Program usage Examples- HD Pre-Acert (excluding C-16)

Scenario 1- 3406E (NAT-ENG-276/396)

- Cat Dealer utilizes Gold Kit + Head
- **Program provides \$2,000**
- 2020 2yr OPT coverage cost =\$1,740 TEPS Net
 - Credit to the customer \$260

Scenario 2 – 3406E (NAT-ENG-3135/3136)

- Cat Dealer utilizes Platinum Kit + Turbo
- **Program provides \$2,500**
- 2020 3yr OPT coverage cost =\$2,220 TEPS Net
 - Credit to the customer is \$280

Scenario 3- 3406E (NAT-ENG-276/396)

- Cat Dealer utilizes Gold Kit + Head
- **Program provides \$2,000**
- 2020 18 Mo OPT coverage cost =\$1,430 TEPS Net
 - Credit to the customer \$570

Scenario 4 – 3406E (NAT-ENG-3135/3136)

- Cat dealer utilizes Platinum Kit + Turbo
- **Program provides \$2,500**
- Customer wants no OPT/ESC
 - \$2,500 credit to the customer

Program usage Examples- HD 04 Acert

Scenario 1- 04 ACERT (NAT-ENG-276/396)

- Cat Dealer utilizes Gold Kit + Head
- **Program provides \$2,000**
- 2020 2yr OPT coverage cost = \$2,280 TEPS Net
 - Amount owed is \$280

Scenario 2 – 04 ACERT (NAT-ENG-3135/3136)

- Cat Dealer utilizes Platinum Kit + Turbo
- **Program provides \$2,500**
- 2020 3yr OPT coverage cost = \$2,910 TEPS Net
 - Amount owed is \$410

Scenario 3- 04 ACERT (NAT-ENG-276/396)

- Cat Dealer utilizes Gold Kit + Head
- **Program provides \$2,000**
- 2020 18 Mo OPT coverage cost = \$1,870 TEPS Net
 - Credit to the customer \$130

Scenario 4 – 04 ACERT (NAT-ENG-3135/3136)

- Cat/TEPS Dealer utilizes Platinum Kit + Turbo
- **Program provides \$2,500**
- Customer wants no OPT/ESC
 - Credit to the customer \$2,500

Program usage Examples- C-16

Scenario 1- C-16 (NAT-ENG-276/396)

- Cat dealer utilizes a Platinum kit only
- **Program provides \$2,000**
- 2020 2yr OPT coverage cost = \$4,530 TEPS Net
 - Amount owed is \$2,530

Scenario 3- C-16 (NAT-ENG-276/396)

- Cat dealer utilizes a Platinum kit only
- **Program provides \$2,000**
- 2020 18 Mo OPT coverage cost = \$3,690 TEPS Net
 - Amount owed is \$1,690

Scenario 2 – C-16 (NAT-ENG-3135/3136)

- Cat dealer utilizes a Platinum kit and turbo
- **Program provides \$2,500**
- 2020 3yr OPT coverage cost = \$5,830 TEPS Net
 - Amount owed is \$3,230

Scenario 4 – C-16 (NAT-ENG-3135/3136)

- Cat/TEPS dealer utilizes a Platinum kit and turbo
- **Program provides \$2,500**
- Customer wants no OPT/ESC
 - Credit to the customer \$2,500

Overhaul Program Tips

- 18, 24, 36, and 48 mo. OPT options are available
- 18, 24, 36, and 48 OPT option with \$0, \$100, and \$250 deductibles.
- Dollars off might be what the customer prefers (No OPT or other ESC options)
- Precious Metals kit coverage is an option
- Component plus for certain parts replaced (VVA's, Cyl. Head, Injectors, etc) maybe what the customer values
- Coverage Matrix for OPT, Precious Metals kits, and Component plus:
 - <https://dealer.cat.com/en/ps/esc-epp/esc/truck.html>

OPT Reference Material

- HD Engine Model Reference:
 - ACERT:
 - C9, C11, C13, C15
 - PRE-ACERT:
 - 3176, 3306, 3406, C-10, C-12, C-15
- OPT 1 Page Price Matrix
 - Dealer Net (DN), TEPS Net, and Suggested Customer List (SCL) versions available
 - <https://dealer.cat.com/en/ps/esc-epp/esc/truck/overhaul-protection.html>
 - 2020 ESC pricing is available on quote plus
 - 2020 pricing matrix's will be available by December 1st

MD Kit/Reman Engine program

- **NAT-ENG-3144 (US)/NAT-ENG-3152 (Canada)**
- **End-customer discount**
- **T1: \$11,000 - \$14,999 --> \$1000 off** to receive discount, purchase must include:
 - Long Block
 - Titanium Kit
 - Platinum Kit

OR

- **T2: +\$15,000 --> \$1500 off** to receive discount, purchase must include a Reman engine
- Offer valid: Jan 1-Dec 31st 2020
- Discount must be passed on to customer and shown on invoice

Applicable Cat Engine Models / SN

Model	Prefix
3126B	7AS
3126B	8YL
3126E	9SZ
3126E	HEP
3126E	CKM
C7	SAP
C7	WAX
C7	KAL



MD Qualifying Part Numbers & Claim Instructions

- Claim instructions:
 - Submit claims to Cat dealer
 - TEPS dealer code
 - Invoice number / date
 - Cat \$ parts on invoice
 - PN of required MD repair option (complete Engine, long block, titanium kit or platinum kit)

MD National Program Part Numbers												
Platinum Kits (Bare Block)	20R0638	20R0639	20R0640	20R0648	20R0649	20R0650	20R0651	20R0659				
	20R0660	20R0661	20R0662	20R0664	20R0665	20R0666	20R0667					
Titanium Kits (Long Block)	20R0797	20R0798	20R0799	20R0800	20R0801	20R0802	20R0803	20R0804	20R0805	20R0806	20R0821	
Long Blocks	0R7907	10R4144	10R4145	10R7038	10R7039	10R7040	10R7953					
Reman Engines	0R1048	0R1047	0R4855	0R4859	0R4879	0R9961	10R7252	10R8774	10R8775	10R8776	10R8777	10R8778
	10R8809	10R8810	10R8811	10R8812	10R8813	20R0014	20R0015	20R0016	20R0017	20R3664	20R7243	

Q1 2020 Offer: Purchase a Reman Water Pump and Receive \$100 Off

NAT-ENG-3201 (US)/NAT-ENG-3202 (Canada)

- Program Details
 - Offer valid January 1, 2020 – March 31, 2020
 - Program is applicable at Cat dealers and TEPS locations
 - The water pump program is valid for in shop or over the counter
 - Applies to only Reman water pumps
 - Complete part number list will be provided
 - **Does not apply if the water pump is purchased in a Precious Metals kit
 - Can be combined with NAT-ENG-276/396 and NAT-ENG-3135/3136
- Sales Support Materials
 - PEDJ0363 Component Sales Flyer for Reman water pumps
 - PEDJ0256 ESC Coverage Flyer



Q1 Water Pump Offer Marketing Materials

- Cat dealer marketing material: <https://dealer.cat.com/cattruckengines>
 - Reman Water Pump Flyer – PDF
 - Reman Water Pump Flyer – Working Files
 - TEPS Reman Water Pump Flyer – PDF
 - TEPS Reman Water Pump Flyer – Working Files
 - Reman Water Pump Monitor Graphic
 - Reman Water Pump Social Media
 - Reman Water Pump Web Banners
 - Reman Water Pump HTML Email
- TEPS dealer marketing material: <https://truck.cat.com/en/TEPSMarketing.html>
 - Reman Water Pump Flyer – PDF
 - TEPS Water Pump Flyer – PDF
 - TEPS Water Pump Flyer – Working Files



TEPS Dealer Claims

- Awareness and engagement in promotion very important
- Ensure the following at your TEPS dealer are aware
 - Parts Manager
 - Service Manager
 - Outside Sales Manager
 - Outside Sales Reps / Counter people / Phone room
- Establish process with your TEPS dealers for claiming on promotion
 - Similar to OPT where they provide you invoice detail and you claim on their behalf
- Provide marketing material to help support
 - Water pump sales flyer: PEDJ0363
 - Monitor graphics
 - Counter card

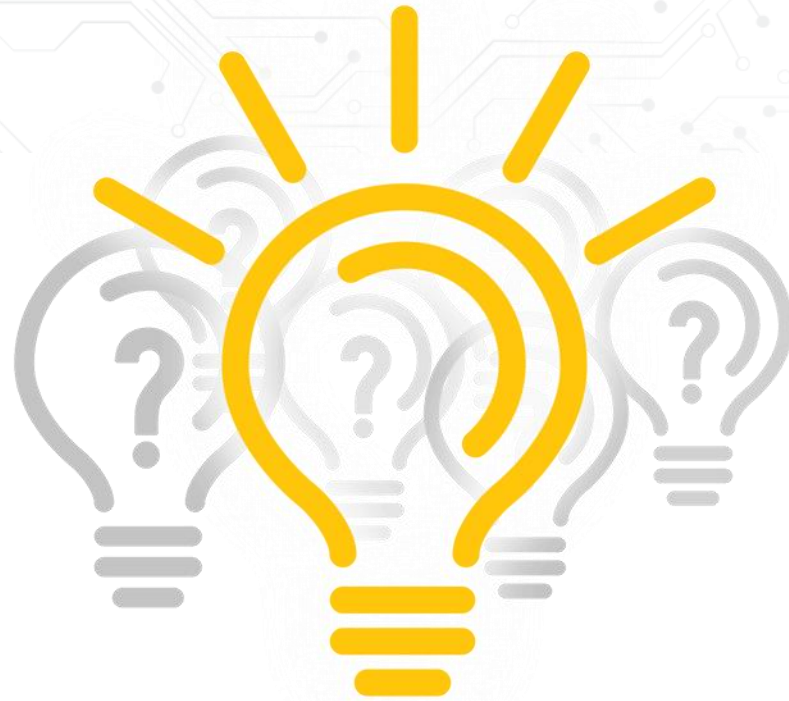
TEPS Maintenance Parts Stock Up Programs

*****This discount is built into your price from the Cat dealers**

- 12.5% TEPS Net discount
- Full Service & Mega Parts Dealers
 - NAT-MLP-426 U.S. Dealers**
 - NAT-MLP-3929 Canadian Dealer**
- Authorized Parts Dealers
 - NAT-MLP-427 U.S. Dealers**
 - NAT-MLP-3930 Canadian Dealer**
- Parts Products
 - Filters
 - PPCs: 033, 034, SKU
 - Batteries
 - PPC: 145
 - Fluids (Oil & Coolant)
 - PPC: ABZ
- Effective Jan 1- Dec 31, 2020

OHT Promotions Calendar (Jan-Jun 2020)

	January	February	March	April	May	June
PROMOTIONS	Cat Dealer Marketing Page / TEPS Dealer Marketing Page					
WATER PUMPS	1Q: Purchase a Reman Water Pump and Receive \$100 Off NAT-ENG-3201 (US)/NAT-ENG-3202 (Canada)					
TBD				Details TBD – 2Q		
OVERHAUL SUPPORT	Click here to be taken to Truck ESC on dealer.cat.com					
USED FOR PARTS DISCOUNT OR OPT COVERAGE	\$2,000 Credit (NAT-ENG-276 (US) / NAT-ENG-396 (CANADA)) \$2,500 Credit (NAT-ENG-3135 (US) / NAT-ENG-3136 (CANADA))					
COMPONENT PLUS & PRECIOUS METALS KIT	Component Plus and Precious Metals Kit coverage options available *Pricing valid all of 2020					



QUESTIONS?