

January 30, 2004

To: Canadian and U.S. Dealer
• Parts Manager



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Subject: ***“Over-the-Counter” Warranty Pilot Program for Bendix Parts***

At the request of the North American Customer Support Association, Freightliner LLC Customer Support is pleased to announce the Bendix Over-the-Counter (OTC) Warranty pilot program. This “no hassle” program mirrors the program offered to Bendix Distributors. OTC eliminates the risk of charge backs, thereby allowing you to honor your customer’s warranty on the front end instead of waiting for your warranty reimbursement. Bendix OTC warranty should go a long way to improve customer satisfaction! This pilot program will be reviewed by Bendix and Freightliner LLC Customer Support at 90, 180 and 365 days, and if successful, will be the benchmark for other supplier warranties. Please carefully review the following program procedures to fully understand the qualifications and restrictions.

Warranty Coverage

On the OTC program, warranty coverage for parts will be 1-year/100,000 miles/161,000 km.

This pilot program:

- Only applies to Bendix labeled parts; claims for parts with missing or altered nameplates will be denied.
- Applies to failures beginning January 28, 2004.
- Includes Bendix parts listed in the Warranty Reference Guide, Appendix C. Bendix parts do not have to be purchased from a franchised Freightliner LLC dealership to qualify under the rules of the program. A revision (04-001R-DLR) to the Warranty letter (04-001-DLR), dated January 26, 2004 will be posted January 30, 2004.
- Does not allow a denied, standard aftermarket-warranty claim to be resubmitted at OTC.
- Gives 20% handling to dealer.
- Is intended for parts with defects found during a visual inspection; parts may not be damaged or disassembled. However, for Bendix parts, dealer may partially disassemble following the description on the Bendix wall chart (“Bendix Inspection Guide to Non-Warrantable Conditions,” publication, WAR-256).
- Excludes all hydraulics (including calipers), electrical or electronic components, maintenance kits, gaskets, and component piece parts.
- Requires that all parts be returned to Bendix for inspection (following “Failed Parts Tracking” notification from Freightliner LLC).
- Does not apply to export claims. Only Freightliner LLC dealers are eligible.

Refer to Warranty Reference Guide, “Supplier Information,” Section 7, for complete OTC Warranty policies and procedure details (posted January 28, 2004).

The following should be distributed to appropriate personnel:

- ⇒ “Over-the-Counter (OTC) Program Guidelines” (attached).
- ⇒ “Over-the-Counter (OTC) Program Claim Entry” (see Warranty letter 04-001-DLR, dated January 26, 2004).
- ⇒ Refer to Warranty Reference Guide, Appendix C (to be posted on February 2, 2004) for a detailed list of applicable part numbers.

This pilot program is intended to help you compete with other distributors in your marketplace. Please contact your Region Parts Manager with any questions you may have.

PRODUCT MARKETING

BENDIX “OVER-THE-COUNTER” (OTC) PROGRAM GUIDELINES

The initial OTC program involves the following parameters:

- Bendix parts only (see Appendix C in Reference Guide for complete list of parts)
- Parts only
- 20% handling to dealer
- 1 year/100,000 miles/161,000 km
- All parts need to be returned to Bendix for inspection (following failed parts tracking notification from Freightliner)
- Program intended for defects found during a visual inspection; parts may not be damaged or disassembled. However, for Bendix parts, dealers may partially disassemble following the description on the Bendix wall chart, “Bendix Inspection Guide to Non-Warrantable Conditions,” publication, WAR-256
- Only Bendix labeled parts (missing or altered nameplates will be denied)
- Excludes all hydraulics (including calipers), electrical or electronic components, maintenance kits, gaskets, and component piece parts
- Does not apply to offshore claims
- Denied standard aftermarket warranty claims cannot be resubmitted as OTC