



MACK TRUCKS, INC.
2100 MACK BOULEVARD
P.O. BOX M
ALLENTOWN, PA 18105-5000

2006 OCT -3 A 9:42

DEFENDANT LITIGATION

September 20, 2006

TO: DISTRIBUTOR PRINCIPALS
SERVICE MANAGERS

SUBJECT: Vehicle Safety Recall - SC0316
Brake Cam Lube - Steer and Drive Axle, Grease Only

On certain Mack model vehicles (CHN, CXN, and CXP) manufactured from May 2006 through June 2006, there exists the potential that the brake cam tubes on the steer and drive axle may not have been greased. As a result of this, the brake cam journal may corrode which may lead to the brakes dragging.

Approximately 1,102 vehicles (946 US, 87 Canada and 69 Export) are involved in this safety recall.

A copy of the service bulletin covering the repair instructions and procedures is enclosed.

It is important that preparation be made immediately to assure prompt inspection and/or correction of all vehicles involved. The National Traffic and Motor Vehicle Safety Act and Canadian Motor Vehicle Safety Act requires dealers to insure that all new and used vehicles are free of safety defects and comply with all relevant safety standards at the time of delivery to the consumer. All Safety Recalls, which affect new or used inventory, must be performed before the vehicle is sold or leased. Please refer to Service Operations Service Letter #SL-004-001 dated 11/19/92 regarding the aforementioned amendment.

Please note that Dealers are responsible for performing the recall on all vehicles subject to the recall at no charge to the owner regardless of mileage, age of vehicle, or ownership from this time forward. Additionally, the National Traffic and Motor Vehicle Safety Act requires that the owner's vehicle(s) be corrected within a reasonable time after parts are available to the Dealer. The law states that failure to repair a vehicle within (60) days after tender for repair shall be a prima facie evidence of unreasonable time. However, circumstances of a particular situation may reduce the sixty (60) day period. If the vehicle is not repaired within a reasonable time, the vehicle owner may be entitled, without charge, to a reasonable equivalent vehicle or refund of the purchase price, less reasonable allowances for depreciation.

Please use the enclosed Notice of Mandatory Safety Campaign card(s) to report sold or transferred trucks. Make sure these cards are returned to us and not directly to the customer or to another dealer. A notice of the recall will be mailed to all identified registrants of affected vehicles. To avoid warranty denial of your claim for reimbursement of expenses connected with this recall, first, make sure the truck presented for the recall work is on your list. If not, check for the recall authorization on the MACKnet chassis inquiry. Also, check that another Mack dealer has not previously completed the recall.

Mack Trucks, Inc., recommends a follow-up by telephone or a personal visit, of all owners of vehicles subject to the recall who fail to bring the vehicle(s) in for repair. Your District Service Manager will be contacting you to assure that this recall attains the visibility we feel is necessary to ensure 100% completion. Please be prepared to review your progress and/or any problems associated with the recall.

If you have any questions about this recall, which may not have been covered in this letter or enclosures, please contact the Regulatory Affairs group by email at vtna.regulatoryaffairs@volvo.com

Very truly yours,

MACK TRUCKS, INC.

Enclosures: Customer Notice
Service Bulletin
Notification Cards



SAFETY RECALL

(Previously called Vehicle Recall)

SC316

(Not applicable to Mack Trucks Australia)

Date: 09/18/06

To: All MACK Dealers

Subject: Brake Cam Lubrication — CXP, CXN and CHN Model Chassis

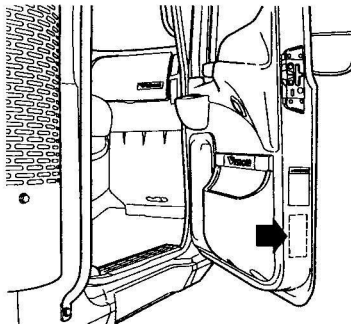
Information:

It has been determined that the brake cams may not have been lubricated at assembly on certain CXP, CXN and CHN model chassis manufactured between May 8, 2006 and June 7, 2006. Failure to lubricate the brake cams can result in dragging brakes due to the brake cam journals corroding and not allowing the brakes to fully release. Approximately 1,100 CXP, CXN and CHN model chassis are involved in this campaign. A list of affected chassis has been sent to all applicable dealers.

Procedures:

NOTE

Before proceeding, check the campaign status in eWarranty to see if the campaign has already been completed. Campaign status can also be checked by looking at the Campaign Completion Label located on the lower edge of the passenger-side door. If the campaign has been completed, the campaign number (SC316) and the completion date should be written on the label.



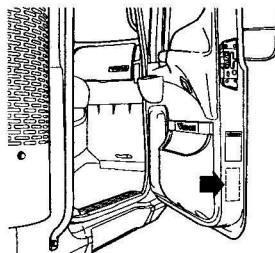
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Figure 1 — Campaign Label Location

The brake cam tubes at both the front axle and rear axle(s) on all affected chassis must be lubricated with MG-C grease. As the cam tubes may be completely empty, a significant amount of grease may be required to properly lubricate the cam bushings. Clean the grease fitting with a suitable non-flammable solvent and wipe dry with a clean rag before applying grease. Apply grease until it purges from between the slack adjuster and the cam tube. Be sure to lubricate each cam tube at each wheel end.

NOTE

To signify that the campaign has been completed, use a permanent-type marker (such as a Sharpie®) to write the campaign number (SC316) and completion date in the spaces provided on the Campaign Completion label located on the lower edge (below the door latch) of the passenger-side door. If a label is not already affixed to the door, apply a label (part No. TS897) and supply the information as required. Campaign Completion labels are available in packs of 50 and can be ordered by faxing a completed BR313 to Pacesetters Business Services at 610-264-9465.



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Figure 2 — Campaign Label Location

Reimbursement:

Campaign expenses are to be recovered through normal warranty claim procedures. Enter the following information on the warranty claim:

UNDER	ENTER	
Failed Part (Causal Part)	SC0316	
eWarranty Authorization No.	SC0316	
Labor Code/Allowance	500 2A 00 95 — 0.2 hr.	Time allowed to take charge of vehicle and determine campaign status by checking eWarranty and campaign completion label.
	500 2B 00 95 — 0.3 hr.	Time allowed to lubricate brake cam tubes on front and rear axle (single rear axle chassis). Does not include "take-charge" time.
	500 2C 00 95 — 0.4 hr.	Time allowed to lubricate brake cam tubes on front and rear axles (tandem rear axle chassis.) Does not include "take-charge" time.

NOTE

As required by Federal Motor Vehicle Safety Standards 49 CFR 573.11, no vehicle subject to an open safety campaign shall be delivered to the customer until such time as the defect or noncompliance is remedied.



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ALLENTOWN, PA 18105-5000

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**SAFETY RECALL SC0316
SEPTEMBER 2006**

DEAR MACK TRUCK OWNER:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act.

Mack Trucks, Inc. has decided that a defect, which relates to motor vehicle safety, exists in certain Mack CHN, CXN, and CXP model vehicles manufactured from May 2006 through June 2006.

SAFETY DEFECT: There exists the potential that the brake cam tubes on the steer and drive axle may not have been greased.

SAFETY RISK: The brake cam journal may corrode which may lead to the brakes dragging which could result in a vehicle fire.

PRECAUTIONS YOU CAN TAKE: You may choose to grease the brake cam tubes yourself using MG-C chassis grease. All brake cam tubes on the vehicle must be greased to purge, which means grease showing at the slack adjuster. If you perform the service yourself, please notify Mack Trucks Regulatory Affairs Department at vtna.regulatoryaffairs@volvo.com so completed recall documentation can be processed.

TIME REQUIRED FOR THE REPAIR: The labor time required to repair your vehicle is approximately thirty minutes.

WHAT YOU SHOULD DO: You should contact the nearest Mack Parts and Service Center and make an appointment. The brake cam tubes will be greased at **no charge** to you. All Mack Parts and Service Centers have been sent a bulletin covering all the details required to perform the safety recall.

You can locate the closest Mack Parts and Service Center by going on line to <http://www.macktrucks.com/> and selecting "Dealer & Service Locations" or by calling our toll-free number: (800) 866-1177.

NOTICE REGARDING LEASED VEHICLES: If you are a Lessor of vehicles subject to this Notice, you have an obligation under Federal Law to provide a copy of this Notice to all Lessees within 10 days of your receipt of this Notice. Further, you must maintain a record, which identifies the Lessee(s) to whom you send a copy of this letter, the date you send this letter, and the Vehicle Identification Number(s) of the vehicle(s) that you have leased to that lessee. For purposes of this Notice, the term Lessor means: a person or entity that is the owner, as reflected on the vehicle's title, of any five or more leased vehicles (as defined in CFR Section 577.4), as of the date of notification by the manufacturer of the existence of a safety-related defect or non-compliance with a Federal Motor Vehicle Safety Standard in one or more of the leased motor vehicles.

**OWNER RECALL
RESPONSE CARD:**

The enclosed "Notice of Vehicle Recall" identifies your vehicle. If you no longer own the vehicle, please help us update our records by completing the "Vehicle Disposition Record" portion of the enclosed postage-free Notice of Mandatory Safety Campaign card and mailing it back to us.

**ASSISTANCE/
COMPLAINTS:**

If your vehicle has not been repaired within a reasonable time after delivering it to a Mack Parts and Service Center, please contact:

Mack Trucks Inc.
Regulatory Affairs Department,
P.O. Box 26115
Greensboro, NC 27402-6115
vtna.regulatoryaffairs@volvo.com

You may also submit complaints to the Administrator of the National Highway Safety Administration (400 Seventh Street, S.W., Washington DC 20590 or call the toll-free Auto Safety Hot Line at 1-888-327-4236 (TTY: 1-800-424-9153), or go to <http://www.safercar.gov> if you believe that Mack Trucks Inc. has failed to remedy the defect without charge, or has failed to remedy the vehicle within 60 days of the owners first tender to obtain repair following the earliest time that parts are available.

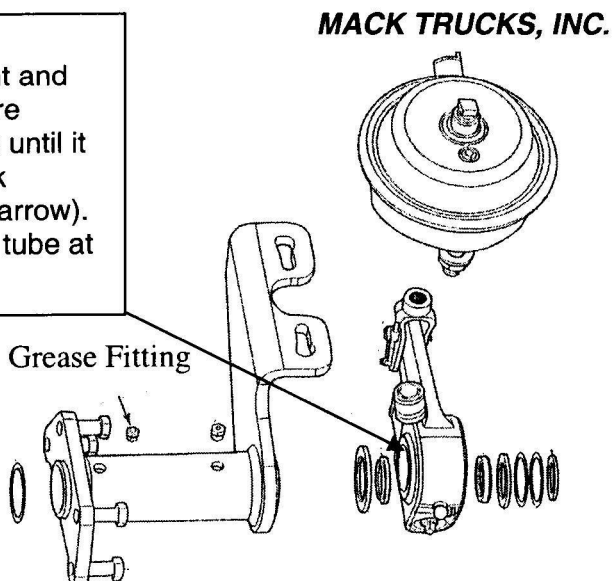
**PRE NOTIFICATION
REMEDIES:**

If you have previously paid for repairs as a result of this issue, you may be entitled to recovery of those expenses.

Submit copies of all documentation supporting your claim according to the rules specified in the "General Plan for Reimbursement of Pre-notification Remedies" provided in this mailing.

We regret any inconvenience this may cause to your operation, but hope you will appreciate our sincere efforts to demonstrate Mack's commitment to provide our customers with the best possible product.

Clean the grease fitting with a suitable non-flammable solvent and wipe dry with a clean rag before applying grease. Apply grease until it purges from between the slack adjuster and the cam tube (at arrow). Be sure to lubricate each cam tube at each wheel end.



General Plan for Reimbursement of Pre-Notification Remedies

Mack Trucks Inc. will administer this plan through its Corporate Regulatory Compliance Department.

The provisions of this plan set forth the procedures to be followed for reimbursing owners (claimants) for the costs associated with repairs performed prior to notification of a recall, to remedy safety defects and non-compliances.

Required Information:

If the claimant's Mack vehicle is affected by a recall campaign and the claimant had the problem corrected at their own expense prior to receiving notification of the recall, Mack Trucks will reimburse the claimant by check for the reasonable amount paid for the appropriate pre-remedy repairs (i.e. the cost of parts, labor, taxes and disposal fees) in accordance with the provisions set forth in this document. In order to process each claim, the claimant **MUST** submit the following documentation to support the request to the Regulatory Compliance Department as specified in the section titled "*Contact Information*":

- Claimant's name, mailing address, and telephone number; and,
- The recall number, title, and description; and,
- The complete 17 digit Vehicle Identification Number (V.I.N.); and,
- A notarized statement by the claimant that the pre-notification repair addressed the defect specified in the owner notification letter; and,
- A copy of the repair invoice or receipt for the repairs.
 - The invoice / receipt must provide the VIN, total amount paid (i.e. total amount of reimbursement requested by the claimant), and include a breakdown of the parts, labor, and other costs.

Limitation of Claims

Mack Trucks will consider all claims, but may deny all or part of the claim for any of the following reasons:

- The vehicle was not part of the recall;
- The repairs were performed more than one (1) year prior to the date, that Mack Trucks notified the National Highway Traffic Safety Administration or Transport Canada, that a safety related defect or non-compliance exists;
- The repairs were performed more than 10 calendar days after the last mailing of the initial customer notification letter, pertaining to the recall;
- The vehicle was still covered by warranty or extended warranty on the date of repair which would have provided a free repair;
- If the receipt / invoice is not itemized by parts & labor;
- If the repair did not address the safety defect or non-compliance that led to the recall;
- If the repair was not reasonably necessary to correct the safety defect or non-compliance that led to the recall;
- If the claim is fraudulent;
- If the repair was not of the same type (repair, replacement, and refund) as the recall remedy;
- If adequate documentation as described above is not submitted to the appropriate address specified in this plan in the section titled "*Contact Information*".

Contact Information

Submit copies of all documentation supporting your claim to:

Mack Trucks Inc.

Regulatory Compliance Department

Attn: Regulatory Compliance Administrator

P.O. Box 26115

Greensboro, NC 27402-6115

Claims will be processed within 60 days of receipt