



FREIGHTLINER CAE DEALER LETTER #144

DATE: May 22, 2014

TO: U.S. / Canadian Dealer Principals, General & Sales Managers, Salespeople
U.S. / Canadian General, Regional, District Sales & Service Managers
Select Daimler Personnel

FROM: Customer Application Engineering

As part of Daimler, Freightliner Trucks is committed to high ethical standards in all business transactions through compliance with the Daimler Integrity Code and our company's policies and guidelines. Freightliner Trucks does not tolerate unethical or corrupt business practices by its employees or its business partners.

TOPIC: MICHELIN TIRE SHORTAGE

EFFECTIVE: Immediately

Due to a quickly developing supply constraint, Michelin will be unable to meet production requirements for over 10,000 tires between now and the end of August. The supply limitation is particularly acute for the following low profile line haul tires:

- Steer: 093-2B3 Michelin XZA3+ 275/80R22.5 14 Ply Radial
- Steer: 093-2B4 Michelin XZA3+ 275/80R22.5 16 Ply Radial
- Drive: 094-0M1 Michelin XDA Energy 275/80R22.5 14 Ply Radial
- Drive: 094-2DK Michelin X Line Energy D 275/80R22.5 14 Ply Radial

In order to meet vehicle assembly and delivery requirements for in-process vehicles and for vehicles scheduled in the next few months, Freightliner will be forced to source tires from other suppliers. To resolve acute tire shortages, Truck Change Orders will be issued. In cases of unfavorable price impact, vehicles in the backlog will be price protected to the price of the tires originally on the order.

Note that the low profile 295/75R22.5 tire size common in the US and Canada and available from alternative suppliers will be frequently substituted for Michelin's 275/80R22.5 size. In terms of revolutions per mile and vehicle performance, these two tire sections are virtually identical.

Daimler Trucks North America deeply regrets any inconvenience to our Freightliner dealers and customers due to this situation. We are working closely with Michelin to resolve the issue.

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