

In Q4 2021, we began applying our base and upgrade undercoating to all Saf-T-Liner C2 and eC2 bodies as part of our manufacturing process on the C2 production line. This process change was initiated as a quality process improvement as well as a necessary change due to the introduction of the electric vehicle's battery assemblies, which obstruct access to apply undercoating to the intended areas of the bus body after mounting has occurred. The greatest result of this process change is an efficient, uniform application of undercoating protection that fully covers the intended area.

Undercoating is applied as the bus body first enters our production paint process. With the exterior body paint now applied after undercoating, there is overspray that is evident on the undercoating, as seen in the right hand picture below. This overspray is indicative of our electrostatic paint application process where the paint is given a positive electrical charge while the bus body is electrically grounded. The presence of this light topcoat paint on the undercoating does not effect the quality or performance of the applied undercoating and, this light overspray is not a warrantable item.

Image of our new
C2 undercoating
process

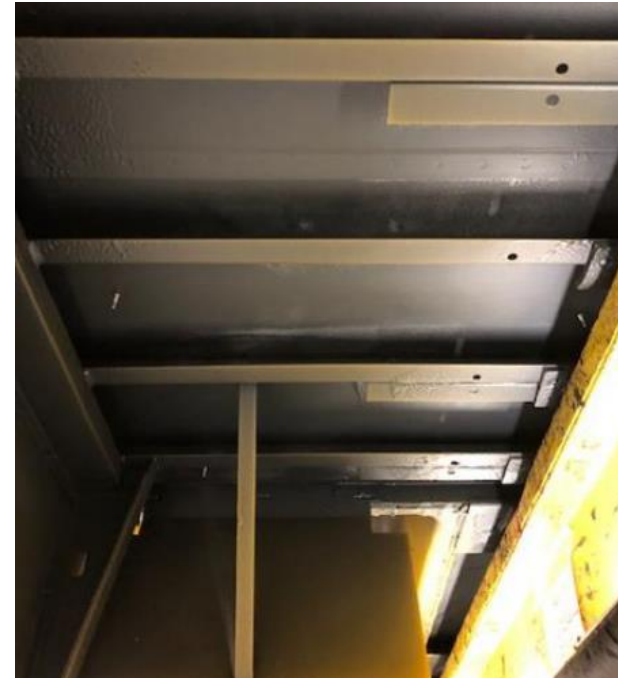
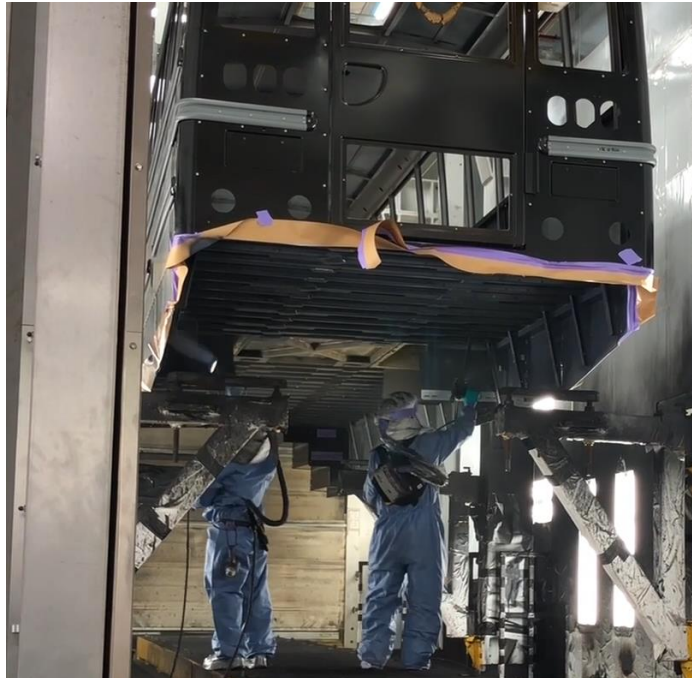


Image of a bus
floor following
undercoating and
topcoat paint
application

For questions about this announcement, please contact Jason Austin – jason.austin@daimlertruck.com

