From:
Sont: Monday March 33

Sent: Monday, March 21, 2016 5:48 PM

<u>@Navistar.com</u>>

Cc: @cummins.com>;

@cummins.com>;

Subject: Notification of use of HGL gears (reference 8D 34024)

Hi Tim,

This memo is to inform you that we will begin producing engines this week which will contain known good crankshaft gears produced by HGL. There was a population of crankshafts already produced with HGL gears when we put a hold on building engines with HGL gears. This population of crankshafts was quarantined at that time. A team has been working on the development and implementation of the process for screening to find defective gears already installed on crankshafts. The spec limit of this process has resulted in a 7% fallout. This is much higher than the 1% fallout we actually experienced that caused the noise condition, however we are being overly conservative due to the disruptive nature of the issue. We are confident that engines produced with these screened crankshafts will not exhibit the noisy "gear whine" condition (reference 8D 34024).

HGL is still not producing new gears. I will communicate to you if ever we do start using new gears produced by HGL.

Thanks,

HD Customer Quality Assurance Manager Cummins Inc. Jamestown Engine Plant (716) 456