

Chronology of Events Leading to Recall

Kenworth Customer Service received its first failure notification on January 29, 2003, and immediately began an investigation with all the suppliers involved to determine the root cause. Extensive testing and analysis began in March 2003 and was completed in late July. Peterbilt was first notified by Kenworth in early March 2003 of the failures Kenworth was seeing on its Model T300. Peterbilt performed a warranty search March 6, 2003 and found no failures. Kenworth completed its investigation with approximately 28 failures and notified Peterbilt of its decision to recall vehicles. Peterbilt performed a second warranty search August 1, 2003 and identified 3 failures and 1 pending failure (bent washers, loose bolts).

Description of Remedy

Kenworth and Peterbilt concur that a safety related defect may exist. Kenworth and Peterbilt will initiate a Safety Recall where the recall repair will consist of adding a rigid spacer across the two lower mounting holes of the fan hub to maintain the clamping force and replace all the bolts and washers.

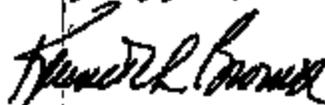
Reimbursement Prior to Recall

Refer to the general reimbursement plan submitted by PACCAR. The start date for the reimbursement period will be one year prior to issuing this notification, August 21, 2002. The end date for the reimbursement will be 10 days after the last mailing of the initial owner notification pursuant to 49 CFR 577.5.

Identification of Recall Schedule

Kenworth and Peterbilt anticipate that the owner notification campaign will be initiated within 30 days. Kenworth's number for this campaign is "03KW9". Peterbilt's identifier for this campaign is "803-E".

Very truly yours,



Kenneth R. Brownstein
Senior Counsel

KRB:ptg

E-mail: ken.brownstein@paccar.com