

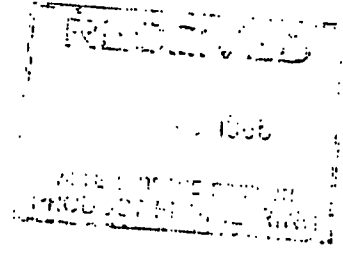
Eaton
Axles & Brakes

Eaton Corporation
Axle & Brake Division
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(616) 342-3018

J. Blank

October 15, 1986

Mr. Tom Paver
Peterbilt Motors Company
38801 Cherry St.
Newark, California 94560



Subject: Asbestos Brake Linings

Dear Tom:

As you may be aware, the O.S.H.A. standard for airborne asbestos fiber permitted in the workplace has been reduced significantly by a recent court ruling. This level has dropped from 0.5 to 0.2 fibers/cc. Both Carlisle and Abex have notified Eaton of their intent to cease manufacture of asbestos based products. These letters are attached.

Abex and Carlisle have chosen different dates to stop production of asbestos products. Abex will stop on 1/1/88. Carlisle will stop shipments on 7/1/87. The Carlisle letter is misleading in that they intend to stop actual production on 11/17/86. Shipments between 11/17/86 and 7/1/87 will be made from stockpiles manufactured prior to 11/17/86.

While non-asbestos linings have been approved by Eaton to replace most asbestos materials, replacements for high friction materials have, to date, been unsuccessful at passing all qualification requirements. While new materials for these applications have been surfaced by the lining suppliers, they are untested. Eaton is attempting to implement the following program with the cooperation of the lining suppliers:

- A. Establish a supply of current low and medium friction asbestos materials to assure uninterrupted product flow to vehicle manufacturers based on 1986 purchase volumes:

Abex - 551C, 551K supply to 1/1/88

Carlisle - MMD39A, supply to 7/1/87 by stockpiling

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