

# DAIMLER TRUCK

## North America

April 19, 2022

**To: All Freightliner & Western Star Dealers (US/CAN)**

**Subject: CY22/MY23 Pricing Surcharge Update – Freightliner & Western Star**

Dear Dealer Partners,

As discussed with you yesterday, the continued challenging global and domestic economic conditions have made it necessary for Daimler Truck North America (DTNA) to implement an additional pricing surcharge on all MY23 Freightliner & Western Star trucks (details below). Increases are in addition to the \$2,900 - \$4,500 Total MY23 Surcharge announced in December 2021 for CY22/MY23 units.

This new surcharge will be applied on CY22 units with a schedule build date starting May 30<sup>th</sup>, 2022. Units with a schedule build date on or before May 29<sup>th</sup>, 2022 are price protected and will not be impacted by the newly updated surcharge.

DTNA is committed to release MY24 Pricing in Q3/2022.

**Below are the updated Model Year 2023 Pricing Surcharge Details:**

*Values in USD*

| Models                           | Total MY23 Surcharge<br>(as of January 1 <sup>st</sup> , 2022) | Additional<br>Surcharge | Total MY23 Surcharge<br>As of May 30 <sup>th</sup> **, 2022 |
|----------------------------------|--|-------------------------|---|
| Cascadia*/5700                   | \$4,200  | \$5,700                 | <b>\$9,900</b>  |
| 4700/47X/4900/49X/122SD/6900     | \$4,500  | \$5,800                 | <b>\$10,300</b>   |
| <b>M2106/112 &amp; 108/114SD</b> | <b>\$2,900</b>   | <b>\$3,800</b>          | <b>\$6,700</b>  |

*\*Includes eCascadia*

*\*\* Indicates schedule build date*

- The Total MY23 Surcharge fee applies to all units included in your CY22 Dealer Reservation System plan, including both Program and Concession reservations with a schedule build date of May 30<sup>th</sup>, 2022 or after.
- The total non-discountable surcharge will be presented as a single line item on the truck invoice.
- Dealers are responsible to update and include Total MY23 Surcharge on all current and future quotes for CY22/MY23.
- Total MY23 Surcharge is in addition to all previous CY22 Surcharges announced by DTNA including FCCC for the Tire Surcharge, DD13 Gen 5, CARB22, Standard Destination & Freight, etc.

**Order Cancellation Guidelines:**

- Entire backlog beginning 05/30 is cancellable until April 29<sup>th</sup>, 2022 (program and concession). This includes units inside the standard 90 day window from schedule build date.
- After April 29<sup>th</sup>, 2022 standard cancellation policies apply:
  - Program trucks are non-cancellable.
  - Cancellations will only be accepted outside of 90 days from schedule build date.
  - Q3 cancellations required by 5/31, Q4 cancellations required by 7/1.
  - All reorders required by 7/1 (CY22 closeout date).
  - Plans must be modified to reflect all cancellations and reorders.

- Cancelled orders will not result in plan volume forfeitures. All cancelled units (regardless of plan quarter) will be returned to dealer plans in their Q4 volumes and can be reordered as necessary. Concession for concession and program for program cancellation-reorder requirements still apply.
  - Per standard cancellation policy, all Top 50 cancellations cannot be repurposed and will revert back to DTNA.

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