May 14, 2010

**Announcing the June 1st Launch of Navistar Parts’ New Inventory Planning System and iSupplier Portal**

Dear Supplier:

**Navistar Parts** is committed to fulfilling our brand promise of “Keeping Our Customers on the Road” by supplying the *right part* *at the* *right time at* the *right place*. A key success factor for accomplishing this goal is our ability to effectively forecast and fulfill our customers’ needs. To continue to do that, and to position us for even greater success in a highly competitive marketplace, we need to further improve our technology and processes.

We are excited to announce **Navistar Parts** is launching a new inventory planning and forecasting system, and a new online collaborative tool called the **iSupplier Portal** which isacentral Web Interface for Suppliers and Navistar Parts to exchange information. Here are some of the changes and related benefits you will see:

* The date on Navistar Parts purchase orders will be your ship date, not the destination arrival date.
**Benefit:** Clarifies expectations, you know exactly when you need to make a shipment.
* We are eliminating the “will advise” allocation process that affects suppliers who currently receive EDI 850 4819 destination followed by EDI 862 allocations; instead, requirements will be planned for individual stock locations.
**Benefit:** Eliminates complexity for you because the only purchase orders you receive will show a final destination and will be used for invoicing.
* Our weekly e-mail expediting tool will be replaced by real-time collaboration through the iSupplier Portal.
**Benefit:** The ease and speed of improved communication provides for a streamlined expediting process.
* The iSupplier Portal will give you one view to all of your purchase orders from Navistar Parts.
**Benefit:**  Currently, the view to all purchase orders from Navistar Parts is only available by special request.

The iSupplier Portal is being deployed to suppliers in a phased approach; the first wave of suppliers have already received their invitations regarding their introduction to the iSupplier Portal in advance of their initial set-up, training, and activation on the portal. The second wave of suppliers will begin receiving their invitations in the late May timeframe.

We hope that you are as excited as we are about the future of our new inventory system, our streamlined processes, and the benefits iSupplier Portal will provide. For more information, please go to <http://evalue.internationaldelivers.com/supplier/partsgroup/isupplierportal.asp>. If you have any questions about the iSupplier Portal, please send them to iSupplierPortal@navistar.com.

Thank you.

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Vice President, Global Distribution Operations Director, Inventory and

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 Parts Group