

PART - A

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

1300 S Evergreen Park Drive SW, PO Box 47250
Olympia, WA 98504-7250
Telephone (360) 664-1222 or 1-888-606-9566 - Fax (360) 586-1181 or 586-1118

RECEIVED Private Nonprofit Transportation Provider

Application Fee: \$50.00

JUN 09 2003

WASH. UT. & TP. COMM. APPLICATION FOR CERTIFICATE

To provide transportation services for compensation solely to persons with special transportation needs

(For Commission Use Only)

Docket # TN-030904

Table with 3 columns: Reception Number (0019793), Safety/Inspection (initials), Application D # (79183); 111 0268 205 02 (50.00), Insurance (initials), Carrier ID (41455); Date Filed (6/9/03), UBI # (600-413-751), Employee (initials)

TYPE OF APPLICATION (check one)

- [X] New Certificate [] Reinstatement Certificate [] Transfer Certificate (New Owner or New Name)

APPLICANT IDENTIFICATION

Attach a copy of approved articles of incorporation and proof of status as a registered non-profit corporation

WA UNIFIED BUSINESS IDENTIFIER (UBI) #: 600413751

APPLICANT NAME: Chelan-Douglas Developmental Services PHONE #: (509) 662-2000

d/b/a: SAME FAX #: (509) 662-7428

BUSINESS (MAILING) ADDRESS: (street address, P.O. Box): P.O. Box 1 (city, state, zip) Wenatchee, Washington 98807

PHYSICAL ADDRESS: (street address, if different) 11 Spokane St. Suite 105 Wenatchee, Washington 98801

PRINCIPAL OFFICERS (List names, titles, and addresses of two principal officers of the nonprofit corporation)

Bill Dearing - Board President Box 1, Wenatchee, Wa. 98807

Dan Miller - Board Vice President Box 1, Wenatchee, Wa. 98807

INSTRUCTIONS
APPLICATION FOR CERTIFICATE TO OPERATE AS A
Private Nonprofit Transportation Provider
Application Fee: \$50.00

INCOMPLETE OR INCORRECT APPLICATIONS MAY DELAY ISSUANCE OF YOUR CERTIFICATE. APPLICATIONS MUST BE ACCOMPANIED BY THE APPROPRIATE APPLICATION FEE.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
PO Box 47250
Olympia, WA 98504-7250
Phone: (360) 664-1222 or 1-888-606-9566 Fax: (360) 586-1181 or 586-1118

PART A - APPLICATION FOR CERTIFICATE

TYPE OF APPLICATION: Check the box for the type of application you are filing.

- New Certificate** - If you are applying for an original certificate.
- Reinstate Certificate** - If you are applying to reactivate a certificate which has been canceled.
- Transfer Certificate** - If you are applying to transfer an existing certificate to a new corporation or your certificate to a new corporation or a new corporate name. See section regarding "Transfer of Certificate".

APPLICANT IDENTIFICATION: Applicant must be a valid nonprofit corporation registered with the Secretary of State. Be sure to attach a copy of your approved articles of incorporation and proof of your status as a registered private nonprofit corporation. List your Washington Unified Business Identifier (UBI) number. All corporations registered with the Secretary of State are issued a UBI number. See list of other agencies and information if you have questions about UBI numbers or registering with the Secretary of State.

Applicant name, corporate name, and name on the insurance filing must match exactly.

Under "d/b/a" you may list other trade or business names, if different than the corporate name.

List a physical address, if it is different from the mailing address.

List names and addresses of at least two principal officers involved in this corporation.

TRANSFER OF CERTIFICATE: If you are transferring your certificate to a new corporation or you have changed your corporate name and need to transfer your certificate to the new name, you must complete this section. If this section is not complete, you will be assigned a new certificate number instead of having the existing certificate reissued.

INSURANCE REQUIREMENTS: Each applicant must check the appropriate box to indicate the level of insurance coverage required for their proposed operations. Applicants must file proof of liability and property damage insurance covering each vehicle used under the certificate. Proof of insurance shall be submitted on either a uniform motor carrier bodily injury property damage liability certificate of insurance (FORM E), or a written binder. If a binder is submitted, it shall be effective for not longer than 60 days, during which time the carrier must file the required Form E. **THE NAME ON THE INSURANCE FILING MUST MATCH THE APPLICANT NAME EXACTLY.**

Insurance Limits are: \$500,000 Combined Single Limit for vehicles with a passenger capacity of less than 16 passengers, including the driver.

\$1,000,000 Combined Single Limit for vehicles with a passenger capacity of 16 or more passengers, including the driver.

EQUIPMENT: List, or attach a list of all vehicles that will be used to provide transportation services, for compensation, to persons with special transportation needs.

CONDITIONS - JUSTIFYING GRANT OF CERTIFICATE: Describe the service you will be providing if this certificate is granted. Include a description of the special transportation need that exists, and the form of compensation you will be receiving for providing this service. (i.e. grants, government/private contracts, passenger fares etc.)

PART B - SAFETY FITNESS SURVEY

SAFETY FITNESS SURVEY: All applicants must complete the Safety Fitness Survey. Private Nonprofit Transportation Providers must comply with all of the applicable state and/or federal safety requirements for their operations. Those providers who operate vehicles with seating capacity of less than 16 passengers, including the driver, are not subject to the Commercial Driver=s License or Controlled Substances and Alcohol Testing provisions. Compliance staff will make arrangements to provide Technical Assistance if requested.

CONTACTS FOR ADDITIONAL ASSISTANCE

Motor Vehicle Licenses, Ride Share Plates	WA Dept of Licensing	(360) 902-3800
Commercial Drivers Licenses (CDL)	WA Dept of Licensing	(360) 902-3859
Master Business License, Uniformed Business Identifier (UBI)	WA Dept of Licensing	(360) 664-1400
Grant Programs/Private Nonprofit Agencies	WA Dept of Transportation	(360) 705-7926
Corporations Division	Office of the Secretary of State	(360) 753-7115



STATE OF WASHINGTON
SECRETARY OF STATE

Ralph Munro, Secretary of State

- Please PRINT or TYPE in black ink
- Sign, date and return original AND ONE COPY to:

CORPORATIONS DIVISION
505 E. UNION • PO BOX 40234
OLYMPIA, WA 98504-0234

- BE SURE TO INCLUDE FILING FEE. Checks should be made payable to "Secretary of State"

ARTICLES OF AMENDMENT
WASHINGTON
NONPROFIT CORPORATION

(Per Chapter 24.03 RCW)

FEE: \$20

EXPEDITED (24-HOUR) SERVICE AVAILABLE - \$20 PER ENTITY
INCLUDE FEE AND WRITE "EXPEDITE" IN BOLD LETTERS
ON OUTSIDE OF ENVELOPE

FOR OFFICE USE ONLY

FILED: / /

IMPORTANT! Person to contact about this filing

Daytime Phone Number (with area code)

Bill Murray, Executive Director

509-662-2000

AMENDMENT TO ARTICLES OF INCORPORATION

NAME OF CORPORATION (As currently recorded with the Office of the Secretary of State)

Cerebral Palsy of Wenatchee Valley

UBI NUMBER

CORPORATION NUMBER (If known)

AMENDMENTS TO ARTICLES OF INCORPORATION WERE ADOPTED ON

600413751

Date: 7-25-00

EFFECTIVE DATE OF ARTICLES OF AMENDMENT

(Specified effective date may be up to 30 days AFTER receipt of the document by the Secretary of State)

Specific Date: 8-1-00

Upon filing by the Secretary of State

ADOPTION OF THE ARTICLES OF AMENDMENT (Please check ONE of the following)

- The amendment was adopted by a meeting of members held on (specify date): _____ . A quorum was present at the meeting and the amendment received at least two-thirds of the votes which members present or represented by proxy were entitled to cast.
- The amendment was adopted by a consent in writing and signed by all members entitled to vote.
- There are no members that have voting rights. The amendment received a majority vote of the directors at a board meeting held on (specify date): 7-25-00 .

AMENDMENTS TO THE ARTICLES OF INCORPORATION ARE AS FOLLOWS
If necessary, attach additional amendments or information.

Our name has changed from: Cerebral Palsy of Wenatchee Valley
to: Chelan-Douglas Developmental Services

SIGNATURE OF OFFICER

This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.

Bill Murray
Signature of Officer

Bill Murray, Exec. Dir.
Printed Name

8-11-00
Date



FOR OFFICE USE ONLY

FOR OFFICE USE ONLY

FOR OFFICE USE ONLY

SOB: 08/16/2000 - 31408

Internal Revenue Service

Department of the Treasury

Attachment L

District
Director

P.O. Box 2350 Los Angeles, Calif. 90053

CEREBRAL PALSY OF WENATCHEE VALLEY

Person to Contact: L BARRAGAN

P O BOX 1
WENATCHEE, WA 98801-0001

Telephone Number: 213-694-2336

Refer Reply to: EO(012793)

Date:

APRIL 8, 1993

RE: CEREBRAL PALSY OF WENATCHEE VALLEY
91-0728672

Gentlemen:

This is in response to your request for a determination letter of the above-named organization.

A review of our records indicates that the above-named organization was recognized to be exempt from Federal income tax in August 1955, as an organization described in Internal Revenue Code section 501(c)(3). It is further classified as an organization that is not a private foundation as defined in section 509(a) of the code, because it is an organization described in section 170(b)(1)(A)(vi).

This letter is to verify your exempt status, and the fact that the determination letter issued in August 1955 continues to be in effect.

If you are in need of further assistance, please feel free to contact our office at the above address or telephone number.

Sincerely,

L. Barragan

L Barragan
Disclosure Assistant

COPY

STATE of WASHINGTON



SECRETARY of STATE

I, RALPH MUNRO, Secretary of State of the State of Washington and custodian of its seal, hereby issue this

CERTIFICATE OF AMENDMENT

to

CEREBRAL PALSY OF WENATCHEE VALLEY

a Washington Non Profit corporation. Articles of Amendment were filed for record in this office on the date indicated below.

Changing name to CHELAN-DOUGLAS DEVELOPMENTAL SERVICES

UBI Number: 600 413 751

Date: August 16, 2000



Given under my hand and the Seal of the State of Washington at Olympia, the State Capital

A handwritten signature in black ink, appearing to read "Ralph Munro".

Ralph Munro, Secretary of State
2-246834-2

246834
FILE NUMBER



DOMESTIC

STATE OF WASHINGTON | DEPARTMENT OF STATE

I, **BRUCE K. CHAPMAN**, Secretary of State of the State of Washington and custodian of its seal, hereby certify that

ARTICLES OF INCORPORATION

of UNITED CEREBRAL PALSY ASSOCIATION OF CHELAN AND DOUGLAS COUNTIES
a domestic corporation of Wenatchee, Washington,

was filed for record in this office on this date, and I further certify that such Articles remain on file in this office.

Filed at request of
Anderson & McCauley, Attys.
100 No. Division St.
Cashmere, WA 98815
Attn: Terrence M. McCauley

Filing and recording fee \$ 20.00
License to June 30, 19... \$
Excess pages @ 25¢ \$
Microfilmed, Roll No.

Page 100-194

In witness whereof I have signed and have affixed the seal of the State of Washington to this certificate at Olympia, the State Capitol,

May 14, 1975

BRUCE K. CHAPMAN
SECRETARY OF STATE

MAY 14 1975

SECRETARY OF STATE
STATE OF WASHINGTON

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ARTICLES OF INCORPORATION

of

UNITED CEREBRAL PALSY ASSOCIATION OF CHELAN AND DOUGLAS COUNTIES

A Nonprofit Corporation

I, MARJORIE SCHOENTRUP, acting as the incorporator of a corporation under the provisions of the Washington Nonprofit Corporation Act (RCW 24.03) adopt the following articles of incorporation for such corporation:

I.

The name of the corporation shall be the

UNITED CEREBRAL PALSY ASSOCIATION OF CHELAN AND DOUGLAS COUNTIES

II.

The duration of the corporation shall be perpetual.

III.

The purposes for which the corporation is organized are as follows:

1. To promote the physical, academic and vocational education and general welfare of children and persons afflicted with cerebral palsy and physically handicapped children and persons.

2. To collect, compile, and disseminate information relating to cerebral palsy.

3. To cooperate in programs of and become affiliated with other corporations and associations which, in the judgment of the Directors of this corporation, carry on proper and desirable eleemosynary activities concerning cerebral palsied and physically handicapped children and persons.

4. To cooperate with all proper public boards, commissions, and authorities in securing appropriate assistance for individual cerebral palsied children and persons, groups of cerebral palsied children and persons as a class and physically handicapped children and persons.

5. To cooperate with the Washington State Department of Public Health and divers city and county health departments in their official programs for cerebral palsied children and persons and physically handicapped children and persons as set forth in appropriate laws.

1 6. To cooperate with the Washington State Board of Education
2 and local boards of education to secure the educational advantages
3 provided by law for cerebral palsied children and persons and
4 physically handicapped children and persons.

5 7. To cooperate with all existing organizations engaged
6 in promoting the opportunities of cerebral palsied children and
7 persons and physically handicapped children and persons, and
8 within the resources of the society to affiliate and cooperate
9 with other societies engaged in cerebral palsied children's and
10 persons's work.

11 8. To establish, and to extend membership to affiliate
12 societies and organizations as set forth in the by-laws of this
13 corporation.

14 9. To encourage the establishment and maintenance of a registr
15 of cerebral palsied children and persons in the State of Washington
16 by the appropriate agency or agencies.

17 10. To assist in the placement of cerebral palsied children
18 and persons under a program of education and physical rehabilita-
19 tion by cooperation with private and public resources and in-
20 stitutions.

21 11. To assist cerebral palsied children and persons and
22 physically handicapped children and persons to attain the maximum
23 physical restoration and social adjustment.

24 12. To rent, lease, purchase, and otherwise acquire, own,
25 use, and occupy offices, institutional structures, homes,
26 hospitals, rehabilitation centers, schools, treatment centers,
27 and other properties usable in effectuating the aforesaid
28 purposes.

29 13. To maintain, occupy, manage, control, and assist in the
30 maintenance, operation, management, and control of homes,
31 hospitals, treatment centers, schools, rehabilitation centers,
32 and establishments for the treatment, care, maintenance, instruction,
33 and other aid of cerebral palsied children and persons and
34 physically handicapped children and persons.

35 14. To receive gifts, legacies, bequests, endowments, and
36 grants of money and property, both real, personal, and mixed.

37 15. To borrow money, give security for the repayment of
38 loans, own, purchase, and sell real property and personal
39 property, both tangible and intangible.

40 16. To do any act or engage in any business not in-
41 consistent with the foregoing enumerated purposes and which may be
42 lawful.

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1 . IV.

2 That said corporation is organized and operated solely and
3 exclusively for eleemosynary, charitable and educational purposes,
4 within the meaning of Section 501 (c)(3) of the Internal Revenue
5 Code of 1954, as amended.

6 Corporation membership shall be open to persons interested
7 in cerebral palsy and other related handicaps. Such persons must
8 present a written application for approval by a majority of the
9 Board of Trustees and pay the required membership dues as set
10 forth in the By-laws.

11 The corporation shall have no capital stock, and no part of
12 its net earnings shall inure to the benefit of any trustee,
13 officer, or member of the corporation, or any private individual.

14 These Articles of Incorporation may be amended by at least
15 two-thirds vote of the voting membership present or represented
16 by proxy at any annual or special meeting of the corporation.

17 V.

18 No member, director, or officer of the corporation, or any
19 private individual, shall be entitled to share in the distribution
20 of any of the corporate assets upon dissolution of the
21 corporation, or the winding up of its affairs. Upon such dis-
22 solution or winding up, all the remaining assets of the corporation
23 shall be distributed by the Board of Trustees exclusively to
24 organizations that would qualify for exemption under the provisions
25 of Section 501(c)(3) of the Internal Revenue Code as now stated,
26 or as it may be hereafter amended, or upon failure of the Board
27 of Trustees to act, by a special meeting of the voting member-
28 ship of the corporation at which three (3) arbitrators shall be
29 selected and given instructions empowering them to distribute
30 the assets as provided above or, upon their failure to
31 so act, by a court of competent jurisdiction.

32 No substantial part of the activities of the corporation
33 shall be the carrying on of propoganda, or otherwise attempting
34 to influence legislation, and the corporation shall not participate
35 in, or intervene in (including the publication or distribution
36 of statements) any political campaign on behalf of any candidate
37 for public office.

38 Notwithstanding any other provision of these Articles, the
39 corporation shall not conduct or carry on activities not per-
40 mitted to be conducted or carried on by an organization exempt
41 under Section 501(c)(3) of the Internal Revenue Code as now
42 stated, or as it may be hereafter amended, or by an organization,
43 contributions to which are deductible under Section 170(c)(2) of
44 such Code as now stated, or as it may be hereafter amended.

UNIFORM DRIVER/VEHICLE INSPECTION REPORT

1148079

PERSONNEL NO. J 553 DIST / DET

LEVEL: 1 X 2 3 4 5

GENERAL HAZARDOUS MATERIALS

DATE 5.26.04 TIME (MILITARY) BEGUN 11:45 FINISHED 12:05 HAZARD CLASS / DIVISION NO. REPORTABLE QTY? Y N HAZARDOUS WASTE? Y N LOCATION: SR/MP SR 2 Stevens Pass SCALEHOUSE NO. CNTY CODE 31 PLACARD REQUIRED? Y N CARGO TANKS? Y N

CARRIER

CARRIER NAME (Include DBA when applicable) Chelsea Douglas Development Services ADDRESS

CITY Wenatchee STATE WA ZIP CODE 98801 INTERSTATE YES NO DOT NO. ICC NO. Nonprofit Application

DRIVER

DRIVER NAME J Brooks LICENSE NO. Brock JR 563L2 STATE WA EXP. YEAR 08 DATE OF BIRTH 6.22.44 MED. CERT. N WAIVER Y SHIPPER NAME SHIPPING NO.

VEHICLE

REGISTERED OWNER NAME/ADDRESS UCP GVW. 14050 lbs 15 PASSENGER PBT RATE

Table with columns: UNIT, TYPE, YEAR/MAKE, CO. UNIT NO., LICENSE NO. / VIN NO., STATE. Row 1: 1, VN, 2004 Ford, IFDXE45S64HA42340

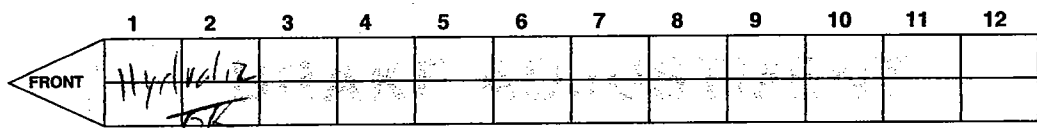


Table with columns: CFR, VIOLATIONS, D, 1, 2, 3, 4, Unit #s O/S, Complied. Includes a 'RECEIVED JUN 07 2004 WASH. UT. & TP. COMM.' stamp.

CVSA DECALS UNIT 1 10694715 UNIT 2 UNIT 3 UNIT 4 NOIC NO.

Vehicle may not be operated until O/S defects noted above are repaired. Driver may not drive until in compliance.

DRIVER SIGNATURE [Signature] OFFICER SIGNATURE A. Dickson

ROUTING SLIP

41455

ASSIGNMENT NO.: 104140 MOTCAR NO.: 41455 PERMIT: Applica.

CARRIER NAME: Chelan Douglas Development Services

INVESTIGATOR(S): A. DICKSON DATE: 5-27-04

RECOMMENDATION: Inspection of van on May 26, 2004
checked free of defects. CVSA safety sticker issued.

Forward to licensing services for certificate processing.

Should carrier be rechecked? No

REVIEWED BY: Vicki Elliott DATE: 5/28/04

- Company has pending application for non-profit bus certificate.
- Company's vehicle had no defects; issued CVSA sticker

FINAL RECOMMENDATION BY: VE DATE: 5/28/04

- to Licensing Services with recommendation to allow certificate

OTHER INFORMATION: 5/28/04 Logged case
cc: Alan Dickson
Licensing

UNIFORM DRIVER/VEHICLE INSPECTION REPORT

1148079

PERSONNEL NO. J 553 DIST / DET

LEVEL: 1 X 2 3 4 5

GENERAL HAZARDOUS MATERIALS DATE 5.26.04 TIME (MILITARY) BEGUN 11:45 FINISHED 12:05 HAZARD CLASS / DIVISION NO. LOCATION: SR/MP SR 2 Stearns Pass SCALEHOUSE NO. CNTY CODE 31 REPORTABLE QTY? Y N HAZARDOUS WASTE? Y N PLACARD REQUIRED? Y N CARGO TANKS? Y N

CARRIER CARRIER NAME (Include DBA when applicable) Chelax Douglas Development Services ADDRESS

CITY WeNatchee STATE WA ZIP CODE 98801 INTERSTATE YES DOT NO. ICC NO. Nonprofit Apply

DRIVER DRIVER NAME J Brooks LICENSE NO. BrookJR563L2 STATE WA EXP. YEAR 08 DATE OF BIRTH 6.22.44 MED. CERT. N SHIPPER NAME SHIPPING NO.

VEHICLE

REGISTERED OWNER NAME/ADDRESS UCP G.V.W. 14050 lbs 15 PASSENGER PBT RATE

Table with 5 columns: UNIT, TYPE, YEAR/MAKE, CO. UNIT NO., LICENSE NO. / VIN NO., STATE. Row 1: 1, VN, 2004 FORD, IFDXE45S64HA42340

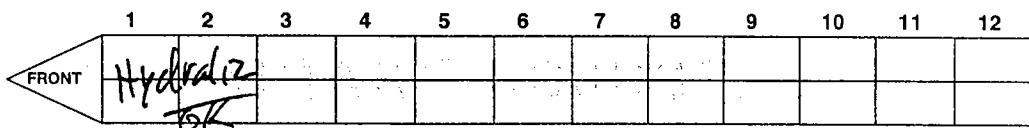


Table with 10 columns: CFR, VIOLATIONS, D, 1, 2, 3, 4, Unit #s O/S, Complied. The table is mostly empty.

CVSA DECALS UNIT 1 10694715 UNIT 2 UNIT 3 UNIT 4 NOIC NO.

Vehicle may not be operated until O/S defects noted above are repaired. Driver may not drive until in compliance.

DRIVER SIGNATURE Brooks OFFICER SIGNATURE A Dickson

FROM: Washington Utilities and Transportation Commission
Transportation Operations
PO Box 47250 Phone: (360) 664-1222
Olympia, WA 98504-7250 Fax: (360) 586-1181

Date: 01-13-2004 Staff: Linda Elhardt

TO: D079183
CHELAN-DOUGLAS DEVELOPMENTAL SERVICES
P.O. BOX 1
WENATCHEE, WA 98807

Final Notice
Date: 1/13/04
Initials *LE*

Return this document with the completed/corrected items listed below for prompt processing of your application for operating authority.

X We sent you a letter on June 11, 2003 regarding obtaining a CVSA safety inspection of your vehicles. We also requested a Form E Certificate of Insurance and as of this date we have not received any of this information. The letter will serve as a FINAL NOTICE and if we have not received this information by January 27, 2004, your application will be dismissed.

2/24/04 ins rec

5/13 Don't Dismiss - they have called + made an appt to have their vehicle inspected.

FROM: Washington Utilities and Transportation Commission
Transportation Operations
PO Box 47250 Phone: (888) 606-9566
Olympia, WA 98504-7250 Fax: (360) 586-1118

Date: 06-11-2003 Staff: Linda Elhardt

TO: D079183
CHELAN-DOUGLAS DEVELOPMENTAL SERVICES
P.O. BOX 1
WENATCHEE, WA 98807

Return this document with the completed/corrected items listed below for prompt processing of your application for operating authority.

X Obtain a CVSA safety inspection of your vehicle (s) and remit a copy of the completed inspection form. You may contact Carolyn Caruso at (360) 664-1244 for an appointment.

X Obtain a Uniform Motor Carrier Certificate of Insurance (Form E) from your insurance company. The insurance must show your name EXACTLY as it is shown above.

9/18 Co. called re: this app. The ins. will be faxed in. They are waiting to purchase the vehicle until they have ins. first.

CHELAN-DOUGLAS DEVELOPMENTAL SERVICES

Division of Child Developmental Services
Division of Adult Vocational Services
A United Way Member Agency

P.O. Box 1 Wenatchee, Washington 98807-0001

since 1955

- Governing Board of Directors
- Bill Dearing
Pres.
- Dan Miller
Vice Pres.
- Bobbie Hochkins
Sect.
- Rod Mortenson
- Stacey Mahstead
- Karen Kelly
- Eric Peterson
- Deborah Huxford

To: Linda Elhardt
From: Mike Bryant
RE: UTC App.

As per our phone conversation on 1-14-04, this is to notify you that the frame of the vehicle has finally passed recall issues and the VIN number should be issued to us the week of 1-20-04. As soon as the VIN number is issued we will follow through with the insurance certification Form E. Thank you for your assistance and we will be in touch.

Sincerely,

Mike Bryant
C.D.D.S.

(509) 665-8045

1-15-04

To: Linda Elhardt

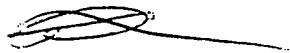
From: Mike Bryant

C.D.D.S. 509-662-7428

As of 4:03 PM today we
rec'd this fax from LINK. at this
time it looks like some time in
Feb. before we receive the VIN.

Thank you -

Mike



P1. of 2



General Distribution News - 12/02/2003

Assembly Plant Update

Lorain Assembly:

Here's the latest update regarding Lorain Assembly:

- THE LORAIN ASSEMBLY PLANT WAS ADVISED TO STOP SHIPMENT OF ALL UNITS ON THURSDAY 11/20/03 DUE TO A SUSPECTED QUALITY ISSUE ASSOCIATED WITH THE ABS MODULE (HCU) HYDRAULIC CONTROL UNIT. IT HAS BEEN DETERMINED THAT ALL UNITS PRODUCED SINCE THE FIRST WEEK OF PRODUCTION 9/21/03 ARE AFFECTED.
- THE GOOD NEWS IS THAT GOOD PARTS BECAME AVAILABLE ON MONDAY 12/01/03.
- THEREFORE ANY ECONOLINE VAN OR WAGON THAT WAS PRODUCED ON OR AFTER 12/01/03 IS OK TO SHIP.
- ECONOLINE CUTAWAY HAS A NEW QUALITY ISSUE THAT IS STILL UNDER INVESTIGATION. IMPACT IS T-B-D.
- THE PLANT AT THIS TIME PLANS ON REWORKING AN ESTIMATED 8500 UNITS AFFECTED BY THIS HOLD THE WEEK OF 12/15/03

THE FOLLOWING IS THE STATUS OF THE REWORK FOR THE UNITS ON HOLD FOR THE FUEL SENDER.

- THERE ARE CURRENTLY 620 UNITS CURRENTLY ON PLANT PROPERTY AND RELEASED TO RAIL.
- THERE WERE CLOSE TO 2400 CONVOY UNITS ON HOLD AT THE LORAIN B&L RAMP. TDM WAS GIVEN PERMISSION TO BEGIN THE REWORK ON THESE UNITS ON FRIDAY 11/28/03.
- TDM HAS COMPLETED THE REWORK ON 562 UNITS AS OF TODAY (AROUND 200 OF THEM ARE CUTAWAYS AND ARE NOW ON HOLD FOR A NEW QUALITY ISSUE THAT IS UNDER INVESTIGATION).
- TDM HAS BEEN ADVISED TO CONTINUE THE REWORK ON THE VANS AND WAGONS BUT TO DISCONTINUE THE REWORK ON CUTAWAYS UNTIL THIS NEW QUALITY ISSUE IS RESOLVED.
- THE LORAIN ASSEMBLY PLANT WILL BE DOWN THE WEEK OF 12/15/03 AND MONDAY 12/22/03 AND TUESDAY 12/23/03.
- THE PLANT WILL ALSO BE DOWN FOR THE HOLIDAY SHUT DOWN STARTING WEDNESDAY 12/24/03 THRU FRIDAY 01/02/04.
- JOB 1 FOR BOTH JOB 2 MCR AND THE 2004 DIESEL ENGINE HAS BEEN MOVED FROM 01/12/04 TO 01/14/04.
- JOB 1 FOR THE 5.4L NATURAL GAS VEHICLE HAS BEEN MOVED FROM 01/12/04 TO 01/14/04.

Regards,

Preston D. Boyd
Planning & Distribution Manager
FD - Commercial Truck

313-390-2210