

March 1, 2018

CONFIDENTIAL BUSINESS INFORMATION REDACTED

Mr. Jonathan Morrison
Chief Counsel
National Highway Traffic Safety Administration
(NCC-111), Room W41-227
1200 New Jersey Avenue, SE
West Building
Washington, DC 20590

RE: Docket No. NHTSA-2015-0055 – Mercedes Benz USA Request for Extension of Priority Group 4 Sufficient Supply and Remedy Launch Deadline Under ¶ 39 of the Third Amended Coordinated Remedy Order to Address Takata Recalls

Dear Mr. Morrison:

On behalf of our clients, Daimler AG (“DAG”) and Mercedes Benz USA, LLC (“MBUSA”), and pursuant to ¶ 39 of the Third Amended Coordinated Remedy Order to address the Takata recalls, this letter requests an extension of time in which to comply with the sufficient supply and remedy launch deadlines for certain vehicles in Priority Group 4, as set forth in ¶ 33 of the Fifth Amendment to the Takata Coordinated Remedy Order (“Fifth Amended Order”). Under ¶ 33 of the Fifth Amended Order, the sufficient supply and remedy launch deadline for these vehicles is March 31, 2018.

As described in prior communications to NHTSA, MBUSA is implementing a Takata recall remedy strategy that involves use of the superior technical solution of [] based inflators. MBUSA and DAG have worked closely with Takata to develop and validate the [] replacement parts. MBUSA and DAG recently received information that the verification testing process for one of the models included within Priority Group 4 –the Model Year (MY) 2008-09 C-Class (204 platform) – could not be completed. Accordingly, it will not be possible to comply with the current Priority Group 4 launch deadline for these vehicles.

For each replacement module DAG is carrying out extensive testing and validation procedures to ensure fulfillment of all relevant performance requirements. []

[] Upon completion of all necessary testing and validation for each module, DAG releases the use of the respective [] inflator-equipped airbag module in MBUSA vehicles and Takata will start supplying these modules to DAG and MBUSA accordingly.

In order to conduct the [] for the MY 2008-09 C-Class (204 platform), it was necessary to source a MY 2008 vehicle []. As the vehicle is sourced [], it is subject to a series of quality controls to ensure suitability for representative [] testing. []

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The steps necessary to procure and prepare the MY 2008 C-Class vehicle, and to []
], occurred within the timeline DAG established in order to meet the launch schedule set
out by NHTSA in the Fifth Amended Order. []

As a consequence, DAG decided to repeat the [] test and started sourcing an
additional 204 vehicle immediately. A potential vehicle was found, which upon further review did not
fulfill all requirements necessary to ensure representative test results. At this point, DAG recognized
that meeting the required launch schedule might not be possible. We immediately contacted NHTSA
on February 14, 2018, communicating that, although analysis was ongoing and a final determination
had not been made, a potential delay for the launch of the remedy for certain Priority Group 4
models might arise. On February 27, 2018, MBUSA determined that it would not have a sufficient
supply of remedy parts in time to meet the March 31, 2018 launch deadline.

DAG has now been successful in locating a C-Class (204 platform) vehicle, and is currently in the
process of final verification of suitability for [] testing. Once this verification has been
successfully made, the vehicle will need to be shipped from the U.S. to the test facility in Germany,
where it will be prepared for testing.

As noted above, after completion of all necessary testing and validation for each module, DAG
releases the use of the respective [] inflator-equipped airbag module in MBUSA vehicles, and
Takata will start supplying these modules to DAG and MBUSA accordingly.

Taking into account the time required to verify suitability of the vehicle, ship it to Germany, prepare it
for testing, carry out the required [] test, release the parts and ship them to the
U.S., MBUSA currently anticipates it will be in a position to launch the recall for the subject Priority
Group 4 MY 2008-09 C-Class (204 platform) vehicles by June 30, 2018.

MBUSA will launch this recall once [] of replacement parts are available to dealers.
MBUSA currently anticipates that it will have the requisite [] part supply available by
June 30, 2018.

MBUSA respectfully requests an extension of time to comply with the Priority Group 4 launch
deadline for MY 2008-09 C-Class (204 platform) vehicles until June 30, 2018.

Thank you for your consideration of this request. Please let us know if you need any additional
information.

Sincerely,



R. Latane Montague

Attachment: Certificate in Support of Notice of Anticipated
Shortage and Request for Extension

Cc: Stephen Hench, Esq.
R. Thomas Brunner