The Independent Monitor of Takata and the Coordinated Remedy Program

The State of the Takata Airbag Recalls

November 15, 2017

I, John D. Buretta, as Independent Monitor of TK Holdings Inc. ("Takata") and the Coordinated Remedy Program (the "Monitor"), submit this report to describe the current state of the Takata recalls, pursuant to Paragraph 42 of the Consent Order, dated November 3, 2015 (the "Consent Order"), issued pursuant to the authority of the National Highway Traffic Safety Administration and agreed to by Takata, and as amended as of May 4, 2016, and pursuant to the Coordinated Remedy Order, dated November 3, 2015, as amended by the Third Amended Coordinated Remedy Order, dated December 9, 2016.

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I. INTRODUCTION

The Takata airbag inflator recalls are the largest and most complex vehicle recalls in U.S. history. There are currently 19 affected vehicle manufacturers with an estimated 46 million unrepaired defective airbag inflators under recall in approximately 34 million U.S. vehicles. The words "grenade" and "ticking time bomb" accurately convey the lethal potential of these defective inflators.[1] To date, at least 13 people in the U.S. have died from injuries inflicted by defective Takata airbag inflators. In these fatalities, the Takata airbag inflator, instead of properly inflating to cushion the victim and prevent injury, has detonated in an explosion that tore apart its steel inflator housing and sprayed high-velocity metal shards at the victim. The victims have died from blunt head trauma, severance of the spine at the neck or extreme blood loss from lacerations to the chest, neck or face. Hundreds more have been seriously injured by the same kinds of metal shards shooting out from exploding Takata airbag inflators housed inside steering wheels or passenger-side airbag compartments. These are urgent safety recalls; and the combination of over a dozen affected vehicle manufacturers, tens of millions of affected vehicles and the severity of potential death or serious injury is unprecedented.

The U.S. Department of Transportation's National Highway Traffic Safety Administration ("NHTSA") has issued Coordinated Remedy Orders directing affected vehicle manufacturers to replace all defective Takata airbag inflators in U.S. vehicles. Most vehicle manufacturers have publicly pledged their commitment to maximizing the completion of recall repairs to the fullest extent possible.

This report assesses the present state of the Takata recalls. Repair completion rates vary widely by vehicle manufacturer, reflecting uneven historical efforts to tackle the complex task at hand. While some vehicle manufacturers have, for some time, dedicated significant resources and multi-pronged strategies to complete repairs with successful results, many manufacturers have only recently begun to pursue such efforts and some others continue to trail behind.

This report further details the research, innovative approaches and coordination efforts across the vehicle manufacturing industry that the Monitor, working closely with NHTSA, has provided pursuant to the authorities set out in the Coordinated Remedy Orders. NHTSA and the Monitor have engaged with the Takata recalls' numerous stakeholders to develop and test strategies now demonstrated by pertinent data to increase significantly recall completion rates. As affected vehicle manufacturers have embraced these strategies and enhanced their own independent efforts, their completion rates have substantially improved. Repair rates have doubled or even tripled. Several affected vehicle manufacturers are also more quickly meeting or even exceeding completion milestones set by NHTSA.

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[1] "Takata airbags", "Takata inflators" and "Takata airbag inflators" all refer to airbag inflators manufactured and produced by Takata.

Finally, this report looks forward, describing recent initiatives the vehicle manufacturing industry itself has started to apply to the monumental task of removing these dangerous, defective items from all affected U.S. vehicles. From canvassing door-to-door to find vehicle owners, to conducting mobile repairs at homes and places of business, to increasing engagement with local automotive dealers and independent repair facilities, to improving vehicle owner data, many vehicle manufacturers have begun to recognize significant opportunities for improvement and are confronting the challenges head on, working together to develop industry-wide solutions.

II. THE DEFECT

An airbag inflator is a metal canister, often made of steel, which holds inside an explosive chemical propellant. As shown in Figure 1 below, inflators are commonly housed in the steering wheel on the driver's side of a vehicle and, depending on the vehicle type, in various other locations in both the driver's and passenger's area, including the passenger dashboard. In an airbag inflator that functions normally, the chemical propellant begins to burn upon activation by an electrical spark initiated as vehicle sensors detect a collision. When functioning properly, the chemical propellant burns in a fast and controlled manner, quickly emitting a gas through vents in the canister out into the airbag, which inflates to cushion the vehicle occupant.

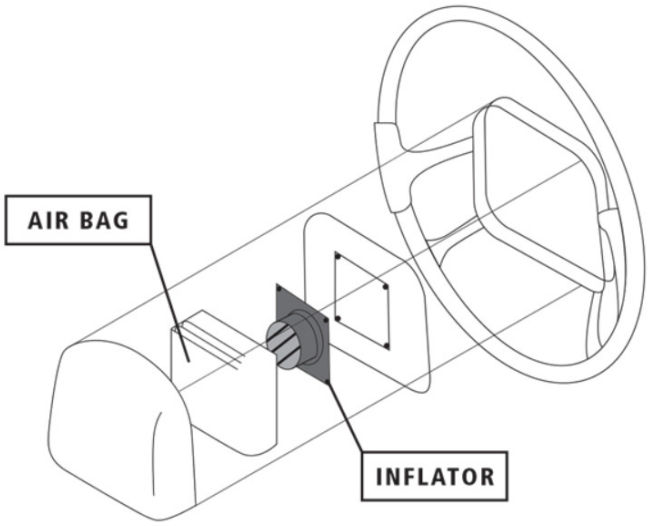

Figure 1: Diagram Showing Placement of Airbag and Inflator in a Steering Column

The danger posed by defective Takata airbag inflators stems from the tendency of the chemical propellant used in those defective inflators to burn in an uncontrolled manner—too fast and with too much explosive force. The metal canister cannot contain the explosion and breaks apart into sharp metal shrapnel that sprays out through the airbag and toward occupants of the vehicle. To many occupants who have experienced the explosion of a defective Takata airbag inflator, it is as if a bomb detonated in their vehicle. Figure 2 contains photographs of various vehicles in the aftermath of such an explosion. Figure 3 contains photographs of the metal shrapnel that shoots out of the disintegrating defective airbag inflators.

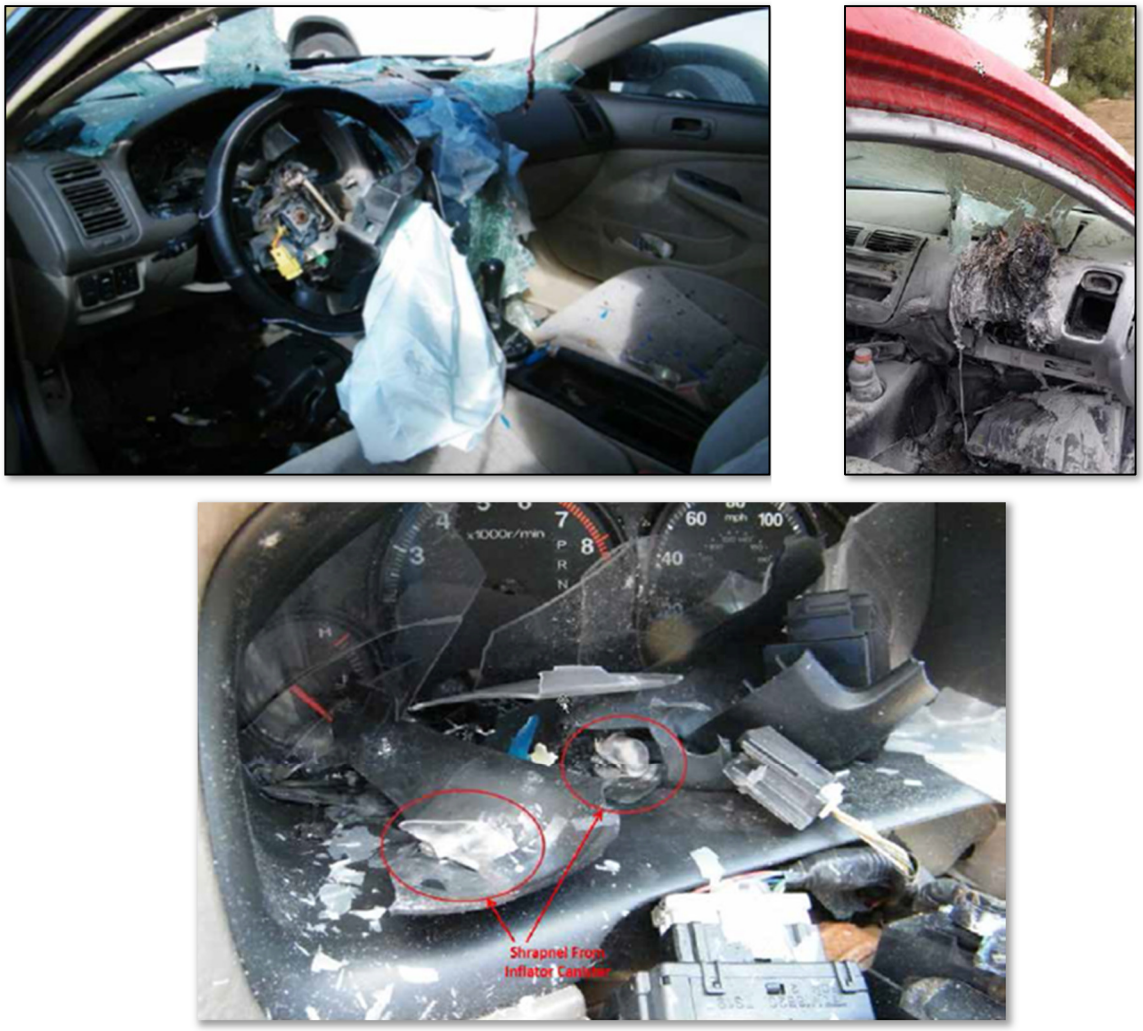

Figure 2: Photographs of Vehicles with an Exploded Driver-Side or Passenger-Side Defective Takata Airbag Inflator

Figure 3: Photographs of Disintegrated Defective Takata Airbag Inflator Shrapnel Following Explosion

The precise cause of the chemical propellant's accelerated burn rate in defective Takata inflators is the tendency of the chemical—Phase Stabilized Ammonium Nitrate ("PSAN")—to degrade over time when exposed to high absolute humidity[2] and high temperature thermal cycling.[3] Takata is the only major airbag inflator manufacturer to have used PSAN as its chemical propellant. Defective Takata PSAN airbag inflators exposed to climates with high temperatures and high absolute humidity for long periods of time are more likely to explode, killing or injuring vehicle occupants. The Takata recalls encompass both driver-side and passenger-side airbag inflators that contain non-desiccated PSAN.[4]

While all defective Takata inflators are dangerous, there are certain subsets of inflators that are more likely to explode and kill or injure vehicle occupants. For example, testing of recalled inflators has indicated that inflators in a specific class of vehicles—referred to in the industry as "Alpha" vehicles—may have explosion rates of 50% or higher. In other words, there is at least a one-in-two chance that, if a vehicle of this type is in an accident in which the airbag deploys, then the airbag inflator will explode like a grenade. The inflators in these vehicles were exposed to high levels of humidity during Takata's production process that accelerated the PSAN's degradation.

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[2] Absolute humidity is the amount of water vapor content in the air, calculated as grams of water vapor per cubic meter of air. Southern coastal regions of the United States typically experience the highest levels of absolute humidity. Testing suggests that regions with high absolute humidity pose the highest risk of a defective Takata inflator exploding during deployment. Using this testing, NHTSA has defined three zones that separate the United States and territories based on relative risk. Zone A, the highest risk zone, also known as the high absolute humidity or "HAH" zone, includes Alabama, California, Florida, Georgia, Hawaii, Louisiana, Mississippi, South Carolina, Texas, Puerto Rico, American Samoa, Guam, the Northern Mariana Islands (Saipan) and the U.S. Virgin Islands.

[3] Third Amendment to the Coordinated Remedy Order, dated December 9, 2016 (hereinafter "ACRO") at ¶ 9, *In re: Coordinated Remedy Program Proceeding*, Dkt. No. NHTSA-2015-0055 (available at https://www.nhtsa.gov/sites/nhtsa.dot.gov/files/documents/final_public_-_third_amendment_to_the_coordinated_remedy_order_with_annex_a-corrected_12.16.16.pdf), attached as Appendix A. *See also* Expert Report of Harold R. Blomquist, Ph.D. (hereinafter "Blomquist Report"), *In re EA15-001, Air Bag Inflator Rupture* (available at https://www.nhtsa.gov/sites/nhtsa.dot.gov/files/documents/expert_report-hrblomquist.pdf). Thermal cycling is repeated exposure to temperature changes. In a testing environment, it can be simulated by exposing inflators to high and low temperatures at relatively high rates of change.

[4] A desiccated PSAN inflator includes a desiccant compound that absorbs ambient moisture. The desiccant serves to slow or potentially eliminate the degradation of PSAN over time, possibly mitigating the risk of inflator explosion. A non-desiccated PSAN inflator does not include a desiccant to absorb moisture. While a limited subset of desiccated inflators are currently under recall, most desiccated inflators are not. Takata must continue testing these inflators in an effort to demonstrate their safety to NHTSA by December 31, 2019. If Takata is unable to demonstrate the safety of desiccated PSAN inflators by December 31, 2019, NHTSA may require additional desiccated inflators to be recalled.

III. REPORTED FATALITIES AND INJURIES

Thus far, defective Takata airbag inflators have caused 13 confirmed fatalities in the United States, involving people from all walks of life.

Figure 4: Confirmed Takata Airbag Inflator Fatalities

The 13 confirmed fatalities occurred in California (3), Florida (3), Texas (2), Louisiana (1), Oklahoma (1), Pennsylvania (1), South Carolina (1) and Virginia (1).

- Ashley Parham, an 18 year-old woman, died on May 27, 2009, in Oklahoma after her 2001 Honda Accord bumped into another vehicle in a parking lot, causing her Takata airbag inflator to explode. Ms. Parham died at the scene of the accident as a result of metal shrapnel puncturing an artery in her neck.

- Gurjit Rathore, a 33 year-old woman, died on December 24, 2009, in Virginia after a mail truck struck her 2001 Honda Accord, causing her Takata airbag inflator to explode. Ms. Rathore died after metal shrapnel pierced her neck and chest.

- Hai Ming Xu, a 47 year-old man, died on September 13, 2013, in California after his 2002 Acura TL struck a wall, causing his Takata airbag inflator to explode. The injuries caused by the shrapnel were so extensive that police responding to the scene initially thought Mr. Xu had been shot in the face.

- Jewel Brangman, a 26 year-old woman, died in California after the 2001 Honda Civic she was driving struck another vehicle on September 7, 2014, causing her Takata airbag inflator to explode. Metal shrapnel pierced Ms. Brangman's neck, severing her carotid artery.

- Hien Thi Tran, a 51 year-old woman, died in Florida after her 2001 Honda Accord was involved in a minor collision on September 29, 2014, causing her Takata airbag inflator to explode. Ms. Tran sustained injuries from metal shrapnel striking her face, neck and chest, ultimately leading to her death.

- Carlos Solis, a 35 year-old man, died on January 18, 2015, in Texas after his 2002 Honda Civic collided with an oncoming vehicle while turning into an apartment complex, causing his Takata airbag inflator to explode. Metal shrapnel severed Mr. Solis's neck, killing him at the scene of the accident.

- Kylan Langlinais, a 22 year-old woman, died in Louisiana after her 2005 Honda Civic crashed into a utility pole on April 15, 2015, causing her Takata airbag inflator to explode. Ms. Langlinais died four days after the accident as a result of metal shrapnel piercing her right carotid artery.

- A 13 year-old child died on July 22, 2015, in Pennsylvania after the 2001 Honda Accord the child was driving struck a tree, causing the Takata airbag inflator to explode. Despite this crash being relatively minor, the child died as a result of injuries sustained from metal shrapnel.

- Joel Knight, a 52 year-old man, died on December 22, 2015, in South Carolina after his 2006 Ford Ranger struck a cow on the road, causing his Takata airbag inflator to explode. Metal shrapnel struck Mr. Knight's neck and spine, killing him.

- Huma Hanif, a 17 year-old girl, died on March 31, 2016, in Texas after her 2002 Honda Civic was involved in a low-speed collision, causing her Takata airbag

inflator to explode. Ms. Hanif was killed by a metal fragment that punctured an artery in her neck.

- Ramon Kuffo, an 81 year-old man, died on June 18, 2016, in Florida after a strike from his hammer caused the Takata airbag inflator to explode in the 2001 Honda Accord he was attempting to repair. Mr. Kuffo died of blunt head trauma.

- Delia Robles, a 50 year-old woman, died on September 30, 2016, in California after her 2001 Honda Civic was involved in a low speed collision, causing her Takata airbag inflator to explode. Ms. Robles was killed by shrapnel that penetrated her chest.

- Nichol Lynn Barker, a 34 year-old woman, died on July 19, 2017, in Florida after her 2002 Honda Accord was struck by another vehicle, causing her Takata airbag inflator to explode. Ms. Barker died of blunt head trauma.

Short of death, there have been hundreds of confirmed injuries from defective Takata inflators across 27 U.S. states and territories. In addition, laboratory testing of Takata airbag inflators retrieved from recalled vehicles has identified inflators from 33 U.S. states and territories which, when tested, exploded. Figure 5 below shows the broad geographic reach of explosions of defective Takata inflators—illustrating the locations of inflators that have exploded both in vehicles ("field incidents") and when retrieved and tested in a laboratory ("lab incidents"). As the map indicates, while incidents have been concentrated in higher risk HAH areas, many have also occurred in other regions.

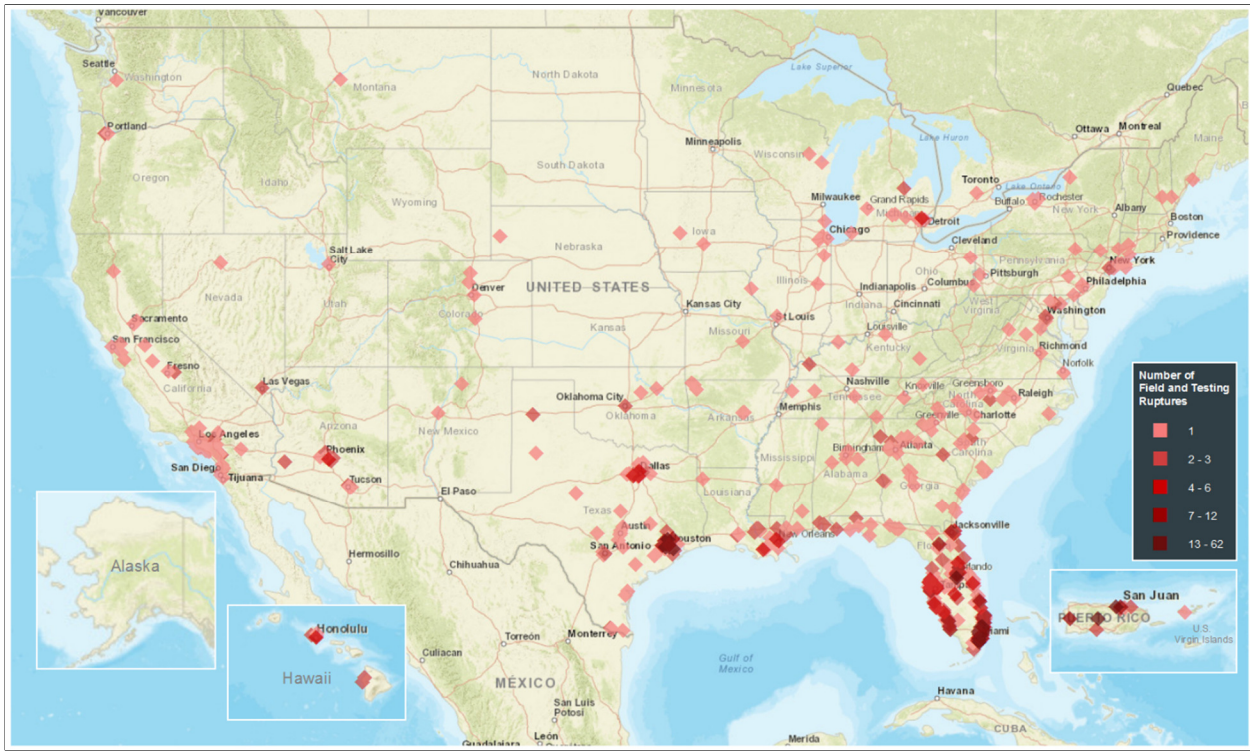

Figure 5: Map of U.S. Field and Lab Incidents Involving Defective Takata Airbag Inflators as of October 9, 2017

In many cases, surviving victims of Takata inflator explosions have become permanently disabled or disfigured. Stephanie Erdman, an Air Force Lieutenant from Florida, was driving her 2002 Honda Accord when the Takata airbag inflator in her vehicle exploded following a collision. Though Ms. Erdman's passenger suffered only minor scrapes and bruises, Ms. Erdman was permanently blinded when metal shrapnel flew out of the driver-side airbag inflator and pierced her right eye and cheek. Ms. Erdman has undergone multiple surgeries and therapies. On November 20, 2014, Ms. Erdman testified about the incident before the United States Senate Committee on Commerce, Science and Transportation. This is just one of many examples of victims who have suffered serious injuries as a result of defective Takata inflator explosions.

Figure 6: Injuries Inflicted on Stephanie Erdman by Defective Takata Airbag Inflator

IV. THE RECALLED VEHICLE POPULATION

The Takata recalls present an unusual combination of challenges, including the recalls' vast scale—by far the largest in U.S. automotive history—the age of many of the vehicles under recall, the diversity of the recalled vehicle population and issues in securing a sufficient supply of replacement parts.

Currently, there are approximately 46 million Takata airbag inflators under recall, with scheduled expansion to about 65 million inflators by the end of 2018. These vehicles have been, and continue to be, fixed with either an interim or final repair. In an interim repair, the defective airbag inflator is replaced with a new airbag inflator containing PSAN. Interim repairs, which are used in instances where a final repair may not be immediately available, effectively mitigate the immediate risk posed to vehicle occupants because the PSAN propellant inside has not yet been exposed to prolonged humidity and/or thermal cycling.

A further expansion of the recalls is scheduled for the end of 2019, when all vehicles that received an interim remedy will need to be recalled again to receive a final remedy. Approximately 4.1 million additional vehicles will be recalled to replace interim repair inflators.[5]

[5] While this number may increase as various affected vehicle manufacturers continue to use interim remedy inflators, some of the affected vehicle manufacturers are beginning to replace interim remedy inflators with final ones earlier than scheduled, which will serve to limit, to some extent, the number of repairs that will be part of the 2019 expansion.

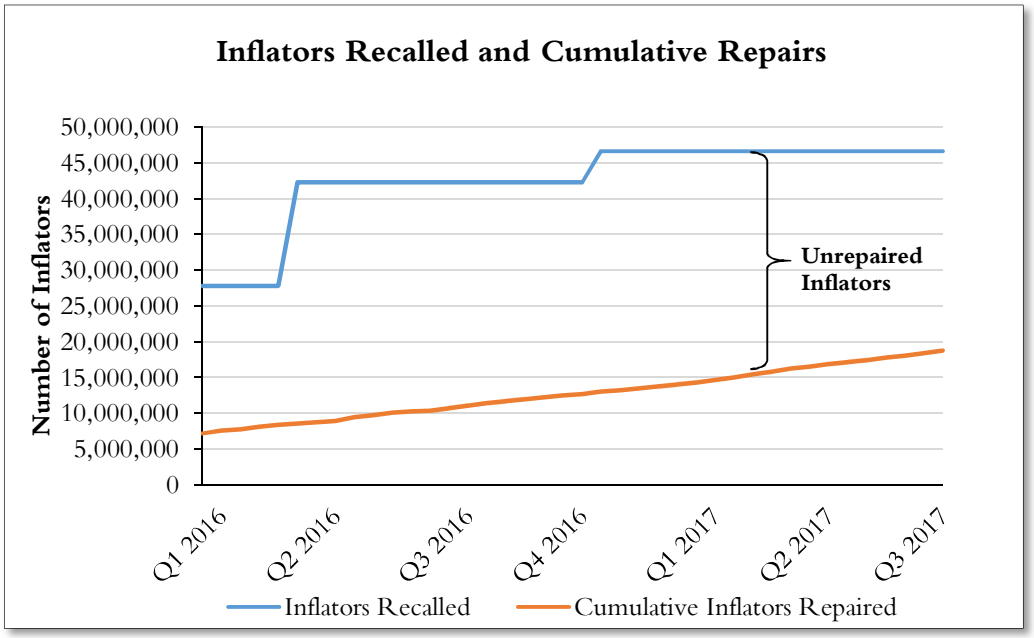

Figure 7: Inflators Recalled and Cumulative Repairs

Figure 7 above illustrates the number of inflators under recall over time and the number of cumulative repairs completed by the affected vehicle manufacturers. The number of affected inflators has changed as affected vehicle manufacturers have identified additional vehicles that must be reported as subject to the recalls, often in response to the filing of additional defect information reports ("DIRs") by Takata. Increases in the number of affected inflators throughout 2016 are largely attributed to the expansion of the recall to include all non-desiccated PSAN inflators. Expansion of the affected vehicle population will occur again after Takata files DIRs at the end of 2017 and 2018 for all remaining non-desiccated PSAN inflators not currently under recall, other than interim remedy inflators, as to which Takata will file a DIR on December 31, 2019.

As the largest and most wide-reaching set of vehicle recalls in U.S. history, the Takata recalls require most affected vehicle manufacturers to implement nationwide recall initiatives on a significant scale. Figure 8, setting forth estimates of unrepaired vehicles and inflators by U.S. state and territory, illustrates that there are recalled inflators in all U.S. states and territories. Recalling these inflators requires a substantial dedication of resources and planning by vehicle manufacturers to ensure that recall efforts remain effective on a national scale. Various aspects of service offerings, outreach plans and other recall initiatives may function efficiently on a small scale but lose efficacy if simply replicated on a larger scale without restructuring human resources, data infrastructures and other logistics.

	Estimates of Unrepaired Vehicles and Unrepaired Recalled Inflators as of September 15, 2017				
		Inflators		Estimated Vehicles	
	State / Territory	Affected	Unrepaired	Affected	Unrepaired
1	Alabama	707,874	436,623	515,004	349,149
2	Alaska	77,994	47,108	56,064	37,998
3	Arizona	826,168	489,158	590,210	389,867
4	Arkansas	332,824	212,127	233,013	166,161
5	California	6,440,148	3,409,111	4,782,425	2,775,031
6	Colorado	772,029	413,356	554,514	340,831
7	Connecticut	564,088	292,833	417,190	246,959
8	Delaware	133,381	73,282	95,312	59,387
9	District of Columbia	63,195	31,069	47,999	28,500
10	Florida	3,015,908	1,759,011	2,262,173	1,438,885
11	Georgia	1,539,667	887,327	1,126,159	715,922
12	Guam	5,984	3,190	4,313	2,463
13	Hawaii	245,095	120,931	180,647	100,841
14	Idaho	211,801	113,644	147,757	90,841
15	Illinois	1,418,648	766,740	1,033,340	640,236
16	Indiana	694,568	393,357	488,588	314,765
17	Iowa	301,554	179,293	214,434	143,734
18	Kansas	346,727	195,031	244,818	155,225
19	Kentucky	481,354	296,888	345,631	239,783
20	Louisiana	597,539	382,621	436,194	303,228
21	Maine	174,149	99,441	131,799	83,198
22	Maryland	950,637	527,992	693,615	434,221
23	Massachusetts	949,363	510,269	711,346	433,199
24	Michigan	802,316	482,587	571,956	391,589
25	Minnesota	565,466	284,622	410,127	240,599
26	Mississippi	374,200	260,276	271,368	204,396
27	Missouri	677,655	398,004	484,634	321,706
28	Montana	138,034	77,500	97,228	61,758
29	Nebraska	223,729	124,665	155,979	99,199
30	Nevada	355,899	215,508	257,197	170,818
31	New Hampshire	207,427	114,611	156,035	95,972
32	New Jersey	1,274,938	697,135	937,998	570,921
33	New Mexico	270,605	167,965	190,508	129,909
34	New York	1,833,735	1,068,568	1,347,302	873,222
35	North Carolina	1,390,840	762,498	998,066	625,142
36	North Dakota	69,747	39,336	48,746	31,483
37	Ohio	1,492,187	835,817	1,064,981	670,692
38	Oklahoma	536,509	362,055	379,071	284,186
39	Oregon	543,679	260,330	384,538	215,810
40	Pennsylvania	1,658,508	918,429	1,216,770	751,014
41	Puerto Rico	341,100	218,843	295,149	193,857
42	Rhode Island	144,407	76,675	106,364	63,774
43	South Carolina	734,639	426,790	530,940	340,078
44	South Dakota	92,246	49,987	64,207	40,712
45	Tennessee	894,180	542,768	634,667	435,162
46	Texas	4,108,731	2,764,502	2,994,415	2,161,428
47	U.S. Virgin Islands	5,814	4,214	4,068	3,232
48	Utah	402,427	219,041	290,061	180,305
49	Vermont	103,998	53,810	79,770	45,815
50	Virginia	1,217,891	626,444	885,577	526,796
51	Washington	969,723	471,522	692,425	393,623
52	West Virginia	172,755	106,063	125,974	84,961
53	Wisconsin	578,919	293,987	418,006	245,803
54	Wyoming	80,792	48,870	55,108	37,911
55	**Total**	**43,113,791**	**24,613,824**	**31,461,780**	**19,982,297**

Figure 8: Takata Recalls by U.S. State and Territory[6]

Due to the vast scope of the Takata recalls, the geographic distribution of unrepaired inflators largely mirrors the general population distribution of the United States. As

[6] Based on defective inflators by zip code as reported by affected vehicle manufacturers.

illustrated in Figure 9 below, of the unrepaired inflators for which the Monitor has zip code information, 43% are concentrated in the top 25 most populated metropolitan areas in the U.S., while 57% are concentrated in the top 50 most populated metropolitan areas. About 31% of unrepaired inflators are found in less populated areas.

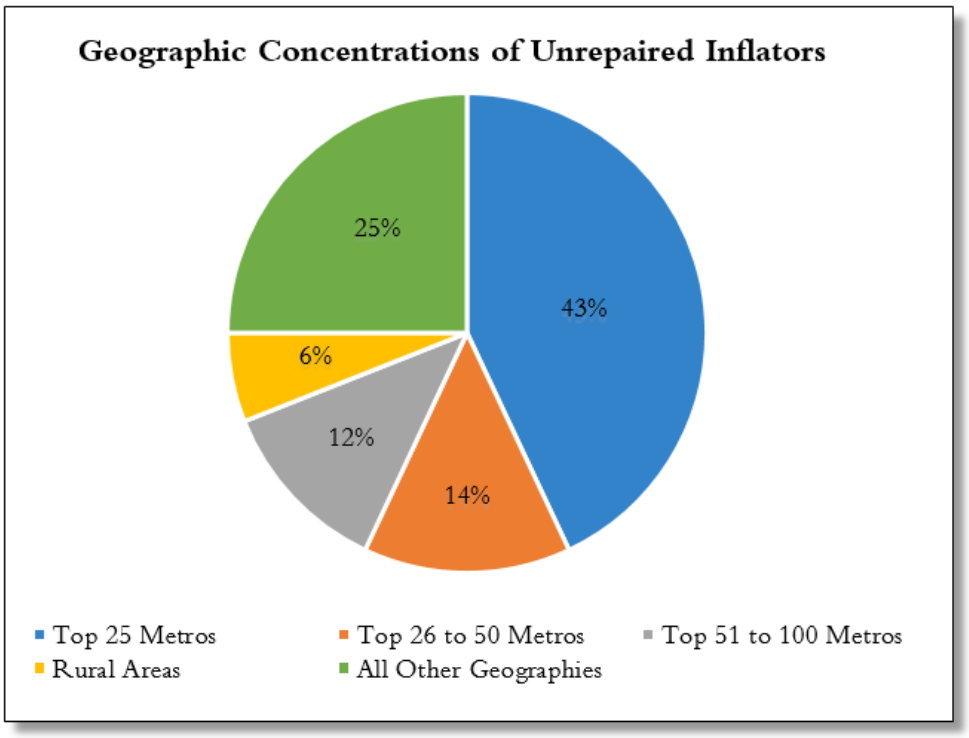

Figure 9: Geographic Concentration of Unrepaired Takata Inflators[7]

[7] This Figure does not include zip codes reported as 99999, which is used as a default code in circumstances where vehicles lack recent registrations and are likely out of transit.

The map in Figure 10 highlights the particularly high concentration of unrepaired inflators in metropolitan areas such as Miami, Houston, Dallas and Los Angeles. Each of these cities is located in the higher-risk HAH zone.

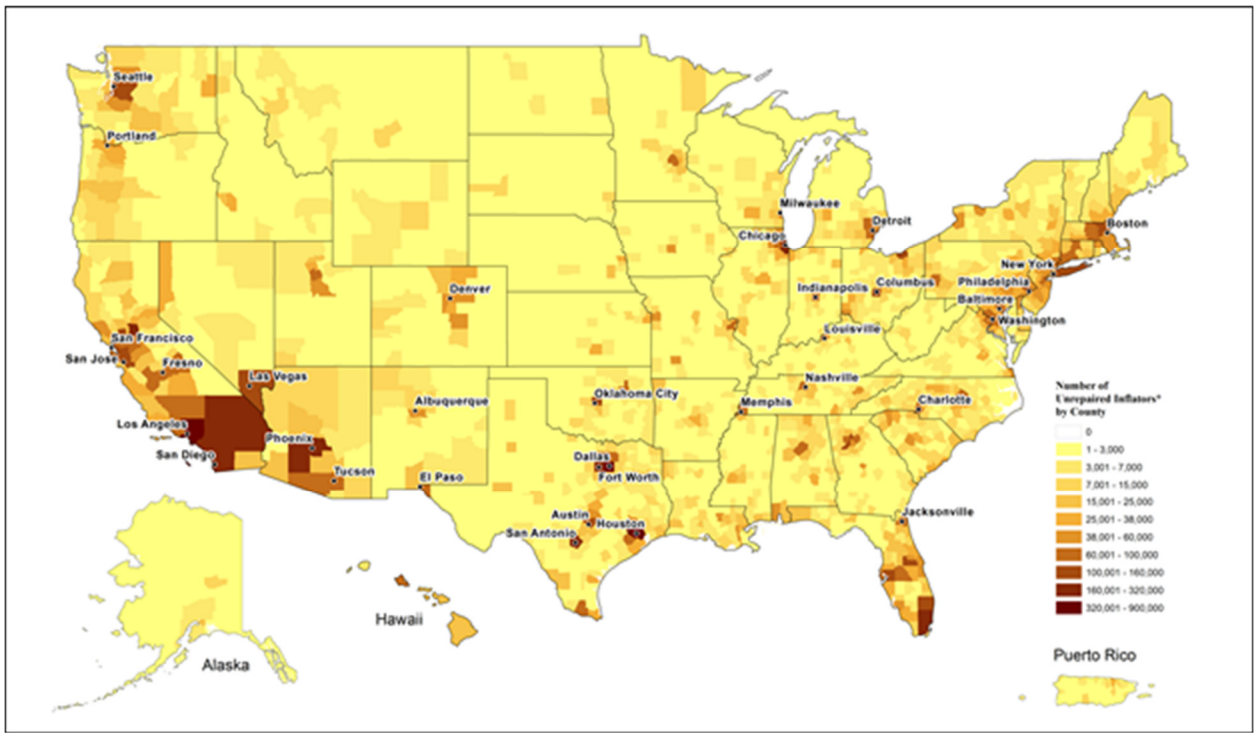

Figure 10: Map of Unrepaired Recalled Takata Inflators in Priority Groups[8] 1-8

While the Takata recalls include a wide array of vehicle makes and model years, they currently primarily affect older vehicles. Over 97% of the vehicles presently under recall are over five years old and more than 75% of the vehicles currently under recall are more than ten years old. Figure 11 below shows all vehicles by model year currently under a recall as of September 15, 2017.

[8] As discussed in further detail in Section VII, NHTSA categorizes the vehicles under recall into "Priority Groups" corresponding to the risk to vehicle occupants based on a vehicle's age, exposure to heat and humidity, whether the inflator is in a driver- or passenger-side airbag and other factors.

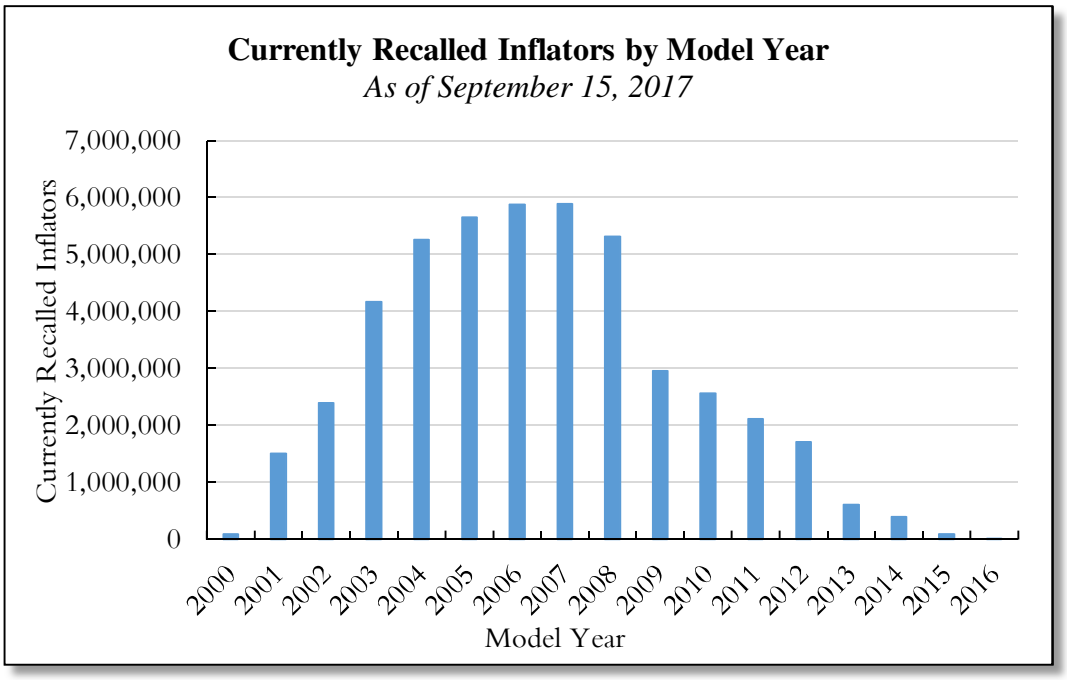

Figure 11: Currently Recalled Inflators by Model Year

Historically, recalls of older vehicles have had lower completion percentages than recalls of newer vehicles. Owners of older vehicles are less likely to have a relationship with a dealer and may be skeptical of dealerships. Owners of older vehicles are also less likely to be the original owners of the vehicles, meaning that dealers and manufacturers may not have the current owner's contact information from the sale of the vehicle. Some owners of older vehicles may not register their vehicles or update their address information at their DMV—the main source of contact information used by vehicle manufacturers to notify owners of open recalls. Owners of older vehicles also often have fewer resources and less flexibility to take their vehicles for repairs.

Another point of complexity in the Takata recalls is that they encompass over 200 different vehicle models, including economy light vehicles, luxury sports cars and heavy duty trucks manufactured by 19 different vehicle manufacturers. These vehicles vary widely in age, having been manufactured between 2000 and 2017. The diversity in vehicle type, age and model heightens the importance of understanding the population of affected vehicle owners in order to develop effective recall outreach. There is no one-size-fits-all solution for the broad array of vehicles and vehicle owners impacted by the Takata recalls.

Finally, a number of issues have in the past constrained the availability of replacement inflators needed to make repairs. The difficulty in securing a sufficient supply of replacement parts stems not only from the sheer quantity of replacement inflators required by the Takata recalls but also from various complications in the manufacturing and validation processes required to produce replacement inflators.

The defective Takata inflators now under recall were initially manufactured in one of two shapes: driver-side inflators had a toroidal shape (often described as looking like a hockey puck), while passenger-side inflators had a cylindrical shape. Within these two categories, there was significant variation and customization among inflators to match different vehicle makes and models. Thus, inflators made for one type of vehicle generally could not readily be used in another vehicle type. Additional manufacturing lines had to be created and validated before they could begin producing replacements for these older vehicle models. This delayed some affected vehicle manufacturers' ability to secure sufficient supplies of replacement parts for these older vehicle models. When the Takata recalls later expanded to include additional non-desiccated PSAN inflators, more manufacturing lines to create replacement parts for these inflators had to be created and validated, causing some additional delays in supply of some of these replacement parts.

Part supply constraints stymied the pace at which some affected vehicle manufacturers could make repairs and further complicated the recall notification process. For example, some vehicle manufacturers, in notifying consumers about the Takata recalls, indicated that parts were not available to complete the repair at the time, which created confusion and frustration for certain customers.

Supply constraints have now largely dissipated. Many manufacturing lines have been validated to produce the required replacement parts and production is occurring at a steady pace.

V. NHTSA'S COORDINATED REMEDY PROGRAM AND THE THIRD AMENDED COORDINATED REMEDY ORDER

On November 3, 2015, NHTSA issued a Coordinated Remedy Order ("CRO") to address the increasing scope, scale and complexity of the Takata recalls, the challenges associated with securing a sufficient supply of repair parts and the need for industry-wide efforts to accelerate recalls. The CRO was a comprehensive program that required the twelve vehicle manufacturers affected by the Takata recalls as of the date of the CRO to implement recall plans designed to repair all of their defective vehicles by December 31, 2017.[9] The CRO categorizes the vehicles under recall into "Priority Groups" corresponding to the risk of airbag explosion based on a vehicle's age, exposure to heat and humidity, whether the inflator is in a driver- or passenger-side airbag and other factors, and requires the affected vehicle manufacturers to acquire a sufficient supply of remedy parts within specified time frames and to submit a plan for maximizing repairs of recalled vehicles.[10]

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[9] CRO ¶ 40, attached as Appendix B.

[10] The CRO was amended on March 15, 2016, to modify the remedy schedule for BMW vehicles that used PSDI-4 airbag inflators. This extension was related to testing failures experienced by BMW in the development of final remedy parts that prevented BMW from meeting the timing requirements set forth in the CRO. The CRO was amended a second time on September 29, 2016, to modify the remedy schedule for certain GM, Daimler Vans and Ford vehicles. These extensions were related to challenges these three vehicle manufacturers experienced in developing final remedy parts that prevented them from meeting the timing requirements set forth in the CRO. Most recently, the CRO was amended on November 9, 2017 to modify the remedy schedule for certain Ford, MBUSA, BMW and Mazda vehicles. These extensions were related to challenges in acquiring a sufficient supply of interim replacement parts.

Also on November 3, 2015, NHTSA and Takata entered into a Consent Order based on Takata's violations of the National Traffic and Motor Vehicle Safety Act,[11] including failure to provide notice to NHTSA of safety-related defects and failure to comply with orders issued by NHTSA. This Consent Order required Takata to, among other things, pay a civil penalty, phase out the manufacturing and sale of PSAN inflators and retain an independent monitor to "review and assess Takata's compliance with [the] Consent Order" and "oversee, monitor, and assess compliance with the Coordinated Remedy Program".[12]

Based on additional testing and analysis, including a report by NHTSA's independent expert,[13] NHTSA and Takata determined in May 2016 that all Takata non-desiccated PSAN airbag inflators would need to be recalled. This determination resulted in a significant expansion of the recalls to include additional passenger side airbags, adding seven new affected vehicle manufacturers and increasing the number of recalled inflators from approximately 23 million to approximately 70 million after all of the scheduled recall expansions are phased in over several years.

The recall expansion was addressed through the issuance of a Third Amended Coordinated Remedy Order (the "ACRO")[14] to govern the recalls and incorporate the additional affected vehicle manufacturers and airbag inflators.[15] The ACRO added new Priority Groups setting timeframes, prioritized by risk, for the 19 affected vehicle manufacturers to acquire a sufficient supply of replacement parts and launch particular recall campaigns.[16] The dates by which affected vehicle manufacturers should acquire a sufficient supply of replacement parts and launch these campaigns are set forth in Figure 12 below.

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[11] Consent Order, dated November 3, 2015 (hereinafter "Consent Order"), *In re: EA15-001 Air Bag Inflator Rupture* (available at https://www.nhtsa.gov/sites/nhtsa.dot.gov/files/documents/nhtsa-consentorder-takata.pdf), attached as Appendix C.

[12] Consent Order ¶ 35, attached as Appendix C.

[13] *See, e.g.*, Blomquist Report.

[14] ACRO, attached as Appendix A.

[15] The CRO was amended a fourth time on December 27, 2016, to provide Nissan an extension to meet its completion milestone for certain vehicle models in Priority Group 3.

[16] NHTSA and other organizations have found that time, temperature and humidity cause the PSAN degradation that leads to the risk of inflator explosion. Recognizing that the risk of explosion was not uniform across affected vehicles, NHTSA established priority groups based on vehicle age and geographic location in order to prioritize parts supply and repair activity for the highest risk vehicles.

Figure 12: Sufficient Supply & Remedy Launch Dates by Priority Group

Priority Group	Sufficient Supply & Remedy Launch Deadlines
Priority Group 1	March 31, 2016
Priority Group 2	September 30, 2016
Priority Group 3	December 31, 2016
Priority Group 4	March 31, 2017
Priority Group 5	June 30, 2017
Priority Group 6	September 30, 2017
Priority Group 7	December 31, 2017
Priority Group 8	March 31, 2018
Priority Group 9	June 30, 2018
Priority Group 10	March 31, 2019
Priority Group 11	March 31, 2020
Priority Group 12	September 30, 2020

The ACRO also sets forth a stepped series of deadlines for repairing a specified percentage of vehicles in each Priority Group. These completion percentage milestones assist the affected vehicle manufacturers by requiring that they regularly check in on their progress ahead of the ultimate deadline by which they are to repair all defective Takata airbag inflators and adjust their recall completion strategy where needed. These completion percentage milestones[17] are set forth in Figure 13.

Figure 13: Quarterly Completion Milestones for Priority Groups 4-12

End of Quarter (After Remedy Launches)	Percentage of Campaign Vehicles Remedied
1st	15%
2nd	40%
3rd	50%
4th	60%
5th	70%
6th	80%
7th	85%
8th	90%
9th	95%
10th	100%

[17] The ACRO quarterly completion milestones only apply to Priority Groups 4 through 12, as there are no quarterly completion milestones for Priority Groups 1 through 3 under the original CRO.

In addition, the ACRO requires all affected vehicle manufacturers to submit plans and certifications that track their progress and detail their intended next steps. These submissions are set forth in Figure 14.

For example, affected vehicle manufacturers are to submit recall engagement plans summarizing their strategy for maximizing recall repairs and reaching the completion milestones set forth in the ACRO. The plan must describe intended outreach activities and efforts to secure the replacement parts necessary for completing repairs. Manufacturers are also to submit quarterly supplements to the recall engagement plan discussing specific steps taken to achieve the completion milestones, the efficacy of their efforts to date and any additional efforts being considered.

Affected vehicle manufacturers are also required to certify that they have a sufficient supply of remedy parts in advance of each of the remedy launch deadlines set forth in the ACRO. These certifications incentivize affected vehicle manufacturers to order, secure and distribute remedy parts to dealer networks in a timely manner, ensuring that dealers are well equipped to make scheduled repairs. If a manufacturer is unable to secure a sufficient supply of remedy parts in advance of an ACRO launch deadline, it can file an extension request in advance detailing the reasons for the delay and the steps it is taking to meet the supply goals as soon as possible.

Finally, affected vehicle manufacturers are to submit proposed communications with vehicle owners to the Monitor for advance review and approval. Affected vehicle manufacturers are required to conduct supplemental outreach to vehicle owners, sending additional mailers, texts, emails and other communications each month beyond initial letter notifications about the need for repair. All of these proposed supplemental communications are to be submitted to the Monitor five days prior to the proposed publication date and adhere to the Coordinated Communications Recommendations issued by the Monitor on December 23, 2016 (described further in Section VIII).

Figure 14: Submissions Under the ACRO

ACRO Provision	Submission	Description
Paragraph 36	Recall Engagement Plan	Affected vehicle manufacturers are to submit plans at the outset of their recall efforts summarizing their intended strategy and course of action to maximize recall repairs, and articulate how these plans will permit them to reach the completion milestones set forth in the ACRO. The summary must include a narrative description of each affected vehicle manufacturer's outreach activities and efforts to secure replacement parts that will help maximize repairs.

Figure 14: Submissions Under the ACRO

ACRO Provision	Submission	Description
Paragraph 37	Quarterly Supplements to Recall Engagement Plan	Affected vehicle manufacturers are to provide a narrative update on their Recall Engagement Plans. This summary must discuss what specific efforts the affected vehicle manufacturer has made with regard to each outreach activity described in the Recall Engagement Plan, the effectiveness of these efforts and activities and what metrics have been tracked to determine such effectiveness. Affected vehicle manufacturers must also describe any additional efforts they are considering, their efforts to implement the Monitor's recommendations and, if applicable, their reasons for not implementing the Monitor's recommendations. These submissions generally allow affected vehicle manufacturers to demonstrate their completion percentage strategies, the effectiveness of past efforts, planned activities for the future and the framework within which they are achieving success in the Takata recalls overall.
Paragraph 38	Supply Certification	Affected vehicle manufacturers must certify that they have a sufficient supply of remedy parts in advance of each of the remedy launch deadlines set forth in the ACRO. The certifications incentivize affected vehicle manufacturers to order, secure and distribute remedy parts to dealer networks in a timely manner, ensuring that dealers are able to repair vehicles without interruption.
Paragraph 39	Supply Certification Extension Request	Where an affected vehicle manufacturer is unable to secure a sufficient supply of remedy parts in advance of an ACRO launch deadline, they may seek an extension, permitting them to certify sufficient supply at a later time. These extension requests must be filed 45 days prior to the Supply Certification deadline, and explain (A) why the affected vehicle manufacturer is unable to meet the sufficient supply deadline, (B) the remedy part selection, validation and development process it is using, (C) the steps it is taking to obtain sufficient supply, (D) the number of replacement parts it reasonably believes will be available by the launch deadline and (E) the specific time period for which it requests the extension.

Figure 14: Submissions Under the ACRO

ACRO Provision	Submission	Description
Paragraph 42	Supplemental Communications	Affected vehicle manufacturers are to conduct supplemental outreach to vehicle owners, sending additional mailers, texts, emails and other communications each month beyond initial letter notifications required under 49 CFR §§ 573.6 & 573.14. All proposed supplemental communications must be submitted to the Monitor five days prior to their proposed publication date. These supplemental communications must also adhere to the Coordinated Communications Recommendations, issued by the Monitor on December 23, 2016 (described further in Section VIII), or propose alternative messaging with supporting data, analysis or rationales that the affected vehicle manufacturer believes justify deviation from the Coordinated Communications Recommendations.
Paragraphs 45–48	Out-of-Transit Vehicles	Affected vehicle manufacturers may account for certain vehicles as not requiring repair when they are likely out-of-transit, and thus no longer pose a safety risk to the U.S. public. Affected vehicle manufacturers may only classify vehicles as out-of-transit if they are at least five years old, have not been registered for at least three consecutive years and a nationally recognized data source corroborates that the vehicle is no longer in service. These provisions permit affected vehicle manufacturers to suspend their outreach efforts to vehicles classified as likely out-of-transit and reallocate these resources to vehicles that likely are in transit.

The CRO and each amendment thereto together comprise the Coordinated Remedy Program and govern the obligations of the 19 affected vehicle manufacturers.

VI. THE MONITOR'S ACTIVITIES

The Monitor was selected by NHTSA and retained by Takata in December 2015. Pursuant to the Monitor's mandate to "oversee, monitor, and assess compliance with the Coordinated Remedy Program" (Consent Order ¶ 35), the "expect[ation] that the Monitor will develop and implement written procedures and may make additional recommendations aimed at enhancing the Coordinated Remedy Program and ensuring that all Coordinated Remedy Program deadlines . . . are met" (CRO ¶ 44) and the Monitor's authority to "take any other actions in the United States that are reasonably necessary to effectuate the Monitor's oversight and monitoring responsibilities" (Consent Order ¶ 39), the Monitor, in close coordination with NHTSA, engaged in a number of activities to properly oversee the Coordinated Remedy Program. The Monitor has conducted quantitative and qualitative research regarding the Takata recalls, identified and engaged the various stakeholders in the Takata recalls and piloted initiatives to equip vehicle manufactures with more tools to execute the recalls with greater success. These activities are described in greater detail below.

A. Qualitative and Quantitative Research

The Monitor has conducted research initiatives to better understand awareness of the Takata recalls and to test creative concepts and messages that would be more compelling to affected vehicle owners. These initiatives involved a Texas-based research program in the summer and fall of 2016 and a nationwide research program in the fall of 2017 to measure baseline metrics, gauge awareness and perception of the Takata recalls and test creative concepts and messages.

1. 2016 Research

The research conducted during the summer and fall of 2016 consisted of focus groups, in-depth interviews, online surveys and a "mystery shopper" program carried out in Texas, a state in the HAH zone with a large number of unrepaired high-risk vehicles.

a. Focus Groups

The focus groups were conducted from June 13 to 16, 2016, among drivers of older vehicles, defined as vehicles of model year 2010 or older. These focus groups were comprised of eight sessions, six of which were conducted in English and two of which were conducted in Spanish.

During the focus groups, participants displayed varying levels of knowledge and awareness regarding the Takata recalls. Though some participants had heard of a recent death caused by a defective Takata airbag, most did not believe the recalls were serious and were under the impression that the recalls involved very few vehicle models. After receiving accurate information during the focus groups about the dangers of defective Takata airbags and the large number of vehicles affected, participants recognized the urgency of the recalls.

The focus groups also tested variations of iconography to gauge which would most effectively prompt vehicle owners to have their vehicles repaired. Among focus group participants, the most effective icons were those with aggressive explosions, showing shrapnel flying toward the figure's face and body. There were also positive reactions to the use of a triangular shape as the universal caution sign. Fewer participants expressed interest in arrow shapes or circular figures with exclamation marks, and most participants did not believe those shapes and figures conveyed a sufficient level of urgency or danger.

The focus groups also tested taglines and phrasing, including "Is your airbag defective?", "Is your airbag expired?" and "Check before you wreck". Most focus group participants felt that the word "recall" by itself was insufficient to convey the urgency of the Takata recalls, and that words such as "urgent", "dangerous" and "defective" were needed to call vehicle owners to action. Focus group participants also responded positively to the inclusion of the URL "AirbagRecall.com" in messaging because it conveys an immediate action item to check one's vehicle for open Takata recalls at a website. Figure 15 shows some of the images and taglines the Monitor tested.

Figure 15: Sample Creative Images Tested

Based on the focus group research, the Monitor developed the Airbag Recall logo shown in Figure 16 below, which incorporates the creative elements found to be most impactful during the focus groups.

Figure 16: Airbag Recall Logo

The Monitor also used the research findings to develop creative assets such as the "Defective Airbags Kill" tagline, the AirbagRecall.com logo and pilot digital advertising shown in Figures 17 and 18.

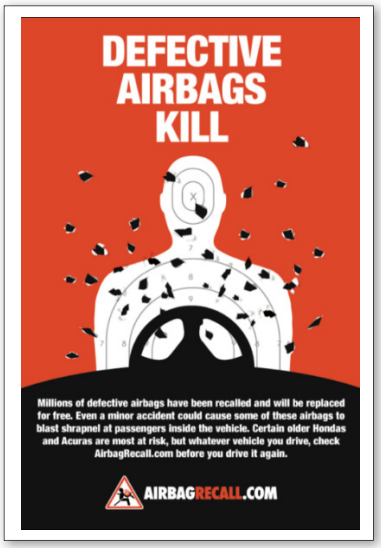


Figure 17: Airbag Recall Poster

Figure 18: Social Media Ad
Employing Optimal Creative Elements

Finally, the focus groups explored the perceptions vehicle owners had with respect to having their vehicles repaired. Many focus group participants initially viewed the repair process as inconvenient and cumbersome, believing it would cost them a great deal of time and, to a lesser extent, resources. After learning that Takata recall repairs were free and could be completed in just a few hours, focus group participants expressed a greater willingness to have their vehicles repaired. The focus groups also probed how best to overcome the perceived inconvenience of having one's vehicle repaired. Participants indicated that services mitigating any interruption of daily activities, such as rental cars, mobile repair service and repairs being completed within an hour, were effective in motivating drivers in the event their vehicle was affected by the airbag recall.

b. In-depth Interviews

The Monitor also conducted 22 in-depth interviews between March 14 and 16, 2017, of vehicle owners who had their high-risk vehicles repaired after being canvassed by the

Monitor in Houston.[18] Of those interviewed, three individuals were from Spanish-speaking households, two individuals were from Arabic-speaking households, one individual was from a Bengali-speaking household and one individual was from a Vietnamese-speaking household. Overall, the interviewees displayed a lack of awareness regarding the recalls and misunderstanding of the repair process.

Interviewees indicated that, prior to being canvassed, they either had not heard of the Takata recalls or were unaware of the dangers associated with the Takata defect. After being educated by a canvasser on the serious nature of the issue, they felt motivated to have their vehicles repaired.

Interviewees also expressed feelings of skepticism and distrust toward recall processes generally. Some interviewees had been taken advantage of in the past by misleading offers of other services (such as credit scams), and cited those experiences as the basis for their tendency to view recall-related outreach as inauthentic. These interviewees were also suspicious of notification letters that appeared to be mass mailings, believing that someone was trying to sell them something or solicit information to take advantage of them in some way.

Interviewees also believed that the repair process would be lengthy and inconvenient. Many did not own a second vehicle and often could not rely on other modes of transportation if their only vehicle was in a repair shop. Similarly, many interviewees indicated that others, such as their children, rely on their vehicles for transport and some indicated that they need their vehicles as part of their jobs. The prospect of being without a vehicle for an extended period of time posed a significant obstacle to completing the recall repair. Like the focus group participants, interviewees clearly indicated that being offered free rental vehicles and towing services would help overcome the inconvenience of getting their vehicles repaired. Many also stated that, if they had known that free rental and towing services were available, then they would have had their vehicles repaired sooner. Interviewees also expressed that extended and weekend service hours would make it easier for them to have their vehicles repaired.

Many interviewees had received a number of different forms of outreach from the Monitor's canvassing team prior to the canvassers arriving at their door, such as door hangers, phone calls and text messages. These interviewees indicated that the frequency of these communications underscored the importance of the Takata recalls for them and motivated them to complete the repair.

c. Online Surveys

The Monitor conducted two online surveys among Texans of age 16 and older. The first survey was conducted from July 19 to 27, 2016, among 802 Texas residents. The second survey was conducted from September 23 to October 3, 2016, among 800 Texas residents. Each survey had a portion that was conducted in Spanish.

[18] Canvassing efforts are discussed in detail in Section VI.C.1.

These surveys tested the effectiveness of different kinds of language and phrasing in motivating vehicle owners to have their vehicles repaired. Participants in these surveys found that attention-grabbing language—such as "death" and "injury"—was more compelling and effective in conveying a sense of urgency. Conversely, these participants found that terms such as "important" and "risk" did not elicit as strong a sense of danger and thus were less effective in conveying the importance of the Takata recalls.

The surveys also tested participants' reactions to different forms of messaging. Participants exhibited more emotional responses to materials telling the personal stories of victims of defective Takata airbag inflators and heightened the participants' perception of the seriousness of the issue.

Participants also expressed the expectation that, in the case of an automotive recall, they would expect their vehicle manufacturer or local dealer to inform them of the issue and expressed interest in receiving recall notifications from these entities. Furthermore, participants indicated that rental cars provided by dealers and dealer assurances of short repair times were the most compelling incentives to motivate them to bring their vehicle in for repair.

d. Mystery Shopper Program

The Monitor conducted a "mystery shopper" program that followed affected vehicle owners through the repair process and interviewed them before, during and after the repair process, to determine which issues vehicle owners faced during this process and at which points. The program was conducted from August 18 to November 15, 2016 and followed 15 affected vehicle owners in the Houston and Dallas metropolitan areas.

The program found that the repair process was far less of an inconvenience than vehicle owners initially perceived, with many mystery shoppers describing it as easier than they had expected. Mystery shoppers were particularly surprised by how quickly the repair took place and for some the scheduling experience felt seamless, creating only a small inconvenience in their daily lives. However, in those situations where replacement parts were not available at the time the mystery shopper sought a repair, the experience was far more negative, particularly where the shopper found the dealership inattentive, uninformed, dismissive or out of step with information provided by the manufacturers.

2. 2017 Research

The research conducted during the fall of 2017 consisted of focus groups in two locations and a national quantitative survey, with an emphasis on individuals in the HAH zone. These activities aimed to further inform the Monitor's understanding of vehicle owner perceptions and awareness of the Takata recalls.

a. Focus Groups

The Monitor conducted four focus groups—two in Atlanta on September 7, 2017, and two in Los Angeles on September 11, 2017. Three focus groups were conducted of English-speaking affected vehicle owners and of owners of older vehicles, while one focus group was

conducted among Spanish-speaking affected vehicle owners. Both Atlanta and Los Angeles were chosen as cities located in the HAH zone with large concentrations of affected vehicle owners.

Participants in the Los Angeles focus group were largely unaware of the Takata recalls and nearly all participants were unaware that their vehicles were affected. Some participants mentioned receiving a letter or postcard in the mail, and one Spanish-speaking participant noted that the postcard he received was entirely in English and was discarded because he could not understand its content. In Atlanta, most affected vehicle owners were aware of the Takata recalls but lacked an understanding of the scope and severity.

In both cities, participants found words like "defective" and "faulty" to be too general and vague and thus poor descriptors of the Takata inflators. Most focus group participants preferred urgent language that communicated that their airbags could kill or seriously injure them or their passengers. In addition, most participants had not been exposed to information regarding the previous deaths and serious injuries resulting from the Takata defect and found this information to be compelling. Several participants, after learning about the nature of the defect, described the issue as one of "killer airbags" or "deadly airbags."

Participants across locations also indicated that they wanted to hear about the severity and danger of the issue from their affected vehicle manufacturer and their dealership, with an endorsement from the U.S. Department of Transportation to add credibility and underscore the severity of the problem.

The focus groups also re-tested the Airbag Recall logo, which depicted shrapnel exploding out of a steering wheel. Participants found the Airbag Recall logo clear, effective and logical, especially when paired with the URL AirbagRecall.com.

The focus groups also compared a postcard incorporating creative elements commonly used in the Airbag Recall campaign to a sample postcard modeled after existing mailers used by some affected vehicle manufacturers. Participants found that the Airbag Recall prototype, displayed in Figure 19, conveyed a clearer description of what happens when a defective airbag inflator deploys and a heightened sense of urgency than the affected vehicle manufacturer-inspired sample postcard, displayed as Figure 20.

Figure 19: Airbag Recall Prototype

Figure 20: Sample Postcard Modeled After Certain Affected Vehicle Manufacturer Mailings

b. Online Surveys

The Monitor also conducted a national online quantitative survey from September 19 to 25, 2017, among over 1,000 individuals of age 16 and older, with an oversampling of 419 individuals residing in the HAH zone. These surveys were conducted in both English and Spanish, based on the preference of the respondent.

The survey confirmed the Monitor's prior observations that affected vehicle manufacturers should engage in frequent, multi-touch outreach—that is, consistent, repeated messaging through multiple channels (described further in Section VIII). Nearly half of all survey respondents indicated that, until they took action to have their vehicles repaired, they would be open to being contacted once a week or even more frequently.

The survey also further confirmed the Monitor's earlier research findings regarding the need for clear, direct messages conveying the risk of injury or death. Survey results indicated that using descriptive and attention-grabbing words is most impactful in prompting vehicle owners to take remedial action. More than 85% of respondents felt that the word "recall" does not adequately convey the urgency of the Takata recalls, suggesting instead that the use of "emergency recall", "mandatory recall" or "urgent recall" better describes the situation. In addition, respondents found the phrase that the defective Takata inflator "explodes, spraying sharp metal fragments" to be the most compelling way to describe the issue, and that "deadly airbags spray sharp metal fragments" is the best phrase to describe the reason for the Takata recalls.

Respondents also indicated that they consider the Takata recalls to be more serious after being exposed to the Monitor's sample messaging and creative materials. The survey also found that sharing real-life stories of victims' injuries from defective Takata inflators is successful in evoking concern on the part of vehicle owners, and that sharing real-life stories of deaths related to defective Takata inflators generates an emotional reaction from vehicle owners that prompts action.

Finally, the survey results reinforced the Monitor's earlier observation that affected vehicle manufacturers need to clearly communicate the services that reduce the inconvenience of getting a repair. The most popular accommodations respondents indicated that dealers could provide are loaner vehicles, completing repairs in less than one hour and convenient dealership hours, including at night and on weekends.

3. Overall Research Findings

The Monitor's research during 2016 and 2017 provides visibility into the challenges vehicle owners face in having their vehicles repaired, the communication barriers that impede affected vehicle manufacturers from prompting vehicle owners to have their vehicles repaired and solutions to overcome these issues. The key lessons from this research are described in detail below in Figure 21.

Figure 21: Key Research Lessons

Awareness and Understanding	
Awareness of seriousness of the recall still lacking	Many are unaware of the dangers defective airbag inflators pose or the severity of the issue, regardless of whether their vehicle is affected. Vehicle owners in both the 2016 and 2017 focus groups did not initially display an appreciation for the breadth or gravity of the defect, or understand its potential impact on them or their loved ones. Both the qualitative focus groups and quantitative surveys indicated that many individuals who were aware of the Takata recalls did not associate the defect with death or serious injury.
Statistics surrounding death and injury make an impact	Sharing concrete facts such as the number of deaths and injuries from recalled inflators will help to educate drivers on the safety risks that defective airbags pose. Most participants in the 2016 and 2017 focus groups initially believed the Takata recalls were not an urgent matter, but, after learning that they affect as many as 70 million U.S. vehicles and have caused fatalities and hundreds of injuries, vehicle owners had a heightened and more accurate understanding of the dangers posed.
Real-life examples help to create a sense of urgency	Real-life stories about victims of defective Takata airbag inflators increase the perceived severity of the issue. Materials communicating stories and photographs of victims of the Takata defect elicited emotional responses from the 2017 focus group participants, who indicated that these materials helped them better understand the seriousness of the issue and more deeply appreciate the implications for them and their loved ones.
Urgency	
Communicate urgency	Outreach materials must unambiguously communicate the urgency of the situation and provide a clear and persuasive call to action. Focus group participants indicated they would want to be notified of such a serious recall with urgent, disruptive messages to ensure they were aware of the issue and understood its gravity. Messaging must capture the attention of vehicle owners so that the materials are not simply discarded and forgotten.

Figure 21: Key Research Lessons

Communicate risk	Clear communication of risk made it more likely that recipients of recall outreach would take action to remedy the defect. Materials from the 2016 and 2017 focus groups and surveys that used bright, attention-grabbing colors, employed words like "kill" and "explode" and used provocative messaging were found to drive action most effectively. In contrast, words like "defective" and "faulty" are largely insufficient to motivate vehicle owners to act.
Send frequent and aggressive outreach	Sending traditional mailers on one or two occasions will not adequately convey the urgency of the Takata recalls. Focus groups, in-depth interviewees and national survey respondents expressed that repeated reminders were crucial in the event of a serious, urgent safety risk. Most 2017 focus group participants indicated that such contact should occur at least weekly, while nearly two-thirds of survey respondents indicated that several notifications each month would be appropriate. Individuals who were canvassed and received multiple pre-canvass communications indicated that the frequency of communications underscored for them the importance of the Takata recalls and convinced them to act.
Personalization	
Provide authenticity	The Monitor's in-depth interviews demonstrate that many vehicle owners do not believe most recalls address serious issues and they are often skeptical of mass mailings from vehicle manufacturers. Participants in the focus groups often felt these types of outreach sought to "scam" them by making them pay for unnecessary services or provide private information that would be used in improper ways. Communications from vehicle manufacturers must clearly convey a message to owners that the repair is critical and available free of charge.
Personalize message content	Many focus group participants express a general disregard for items that appear to be generic mass mailings. They indicated that outreach should be appear less like a mass solicitation and more like a legitimate communication made directly to them. Affected vehicle manufacturers should tailor notification letters, using personalized messages with the owner's name and showing pictures of the make, model and model year of their vehicle, to convey that the outreach is meant specifically for them and for a particular reason.

Figure 21: Key Research Lessons

Owner Inconvenience	
Minimize inconvenience	Participants perceived repairs to be time-consuming and expensive, while mystery shoppers reported that they initially perceived the inconvenience of the repair to be far greater than it turned out to be. Furthermore, the in-depth interviews demonstrated that many vehicle owners are unaware of specific services offered by affected vehicle manufacturers that would decrease the inconvenience. Interviewees were generally unaware of the availability of loaner vehicles and free towing to and from the repair shop. In fact, various interviewees indicated that had they known of these services, they would have been more likely to have had their vehicles repaired sooner. Communicating the speed and convenience of Takata recall repairs is key to ensuring vehicle owners get their vehicles repaired. All outreach should confirm the availability of replacement parts, free towing and other services that minimize inconvenience and cost to the customer.
Provide a clear, simple process for taking action	Outreach should provide immediate next steps through which recipients of outreach can take action to complete a repair. Participants in the focus groups indicated that they preferred outreach materials that provided an immediate next step, such as the AirbagRecall.com URL. Similarly, in both the focus groups and national survey, even vehicle owners who had prior awareness of the Takata recalls expressed the importance of outreach materials that provide a clear, simple and actionable process.
Language	
Provide understandable content	It is important that the content of outreach is clear and easy to understand so that recipients appreciate the urgency of the situation and are not distracted by technical or confusing language. Many participants in the focus groups and interviews indicated that they had previously received recall notifications but disregarded them because they did not understand the message or situation. Distributing content to vehicle owners is only the first step in motivating them to act—the content itself must be accessible and impactful.

Figure 21: Key Research Lessons

Use simple words and phrases	Focus group participants and national survey respondents expressed confusion at the meaning of technical terms such as "inflator." Even among those who were familiar with the Takata recalls, use of the word "inflator" did little to enhance their understanding of the communications they received. Affected vehicle manufacturers should employ language that is simple and non-technical in nature to ensure recipients are not distracted or confused by unfamiliar terminology.
Take stock of language preferences	Providing outreach materials in a language the vehicle owners can understand is key to ensuring they understand the content of the message. One Spanish-speaking participant in the focus groups indicated that he received a recall notice, but threw it away because he did not understand what it said. Creating content in multiple languages, or tailoring content to the preferred language of the recipient, is necessary to ensuring individuals read and understand recall outreach.
Use non-verbal images	Many focus group and survey participants expressed difficulty in understanding messaging content modeled after affected vehicle manufacturers' current collateral, either because the terminology used (such as the word "inflator") was too technical or it was communicated in a language they did not speak. However, across all demographics, the 2016 and 2017 focus group participants found that non-verbal iconography such as the Airbag Recall logo was highly effective because it employs the bold, red triangle as the universal caution sign and clearly illustrates the danger of a ruptured airbag to a vehicle occupant. This was confirmed in both the 2016 and 2017 survey results, where respondents found the Airbag Recall logo to be a clear indicator of the urgency of the situation and to effectively motivate action. Messaging should employ non-verbal iconography like the shrapnel logo to ensure that messages resonate with key audiences regardless of the language they speak.

Figure 21: Key Research Lessons

Medium	
Use multiple mediums of communication	The focus groups and surveys in 2016 and 2017 indicated that there is no one medium of communication that is the "silver bullet" for reaching affected vehicle owners. Survey respondents expressed preferences for various modes of communication, such as traditional first-class mail, email, text message and social media. Most focus group participants agreed that using multiple communications channels or platforms, including phone calls, emails and postal mailings, is warranted given the urgency of the situation.
Keep messaging consistent across channels	Interviewees indicated that the use of consistent messaging across various channels of communication—such as mailers, phone calls, texts and emails—on multiple occasions, is particularly effective in motivating action. Affected vehicle manufacturers must not only use multiple mediums to reach owners, but also ensure that they communicate a consistent message to maximize impact and understanding.

B. Engagement with Stakeholders

The Monitor met with a number of stakeholders in the automotive industry to better understand the nature and needs of the Takata recalls. These interviews and discussions have informed the Monitor's approach to the Takata recalls and provided valuable insights into potential areas for improvement of recall strategy among affected vehicle manufacturers.

1. NHTSA

In order to ensure that both the Monitor and NHTSA remain informed of all developments among affected vehicle manufacturers in the Takata recalls, the Monitor has had frequent communications with NHTSA since the onset of the monitorship. These communications include telephonic meetings scheduled weekly and bi-weekly on various topics, in-person presentations of findings and analyses, monthly in-person meetings to check in on certain affected vehicle manufacturers and other discussions regarding specific issues as they arise. Through this continuous flow of information, the Monitor regularly updates NHTSA on its observations and analysis regarding each affected vehicle manufacturer's progress under the Coordinated Remedy Program.

2. Affected Vehicle Manufacturers

The Monitor regularly communicates with the affected vehicle manufacturers. The Monitor initiated this engagement through a series of initial meetings with the affected vehicle manufacturers to better understand the then-current state of the Takata recalls. The Monitor then built a recall assessment of each affected vehicle manufacturer that considered completion percentages, part supply, past recall experience, past airbag recall completion percentages, injuries and fatalities reported from airbag inflator defects, other airbag defects unrelated to the Takata recalls, completion percentages from older vehicles, completion percentages from newly issued recalls, NHTSA investigations and experience in foreign recalls. This process was coordinated in consultation with NHTSA.

The Monitor then began to hold bi-weekly phone calls with each affected vehicle manufacturer to discuss new developments in completion activities, part supply and other issues relating to the Takata recalls. These standing calls have allowed the Monitor to better understand the activities the affected vehicle manufacturers conduct and their plans to launch new activities, and have provided a regular venue where the Monitor may make informal suggestions and recommendations.

3. Takata

The Monitor communicates frequently with Takata personnel in TK Holdings Inc.'s headquarters in Auburn Hills, Michigan, in regard to the Takata recalls. Takata provides updates on, among other things, inflator testing data, production volumes and supply forecasts. The Monitor's other oversight of Takata pursuant to separate obligations under the Consent Order is beyond the scope of this report.

4. Dealers

Franchised dealers are critical to the automotive recall process. Dealers are the only parties authorized to complete recall repairs and can serve as an important line of outreach to vehicle owners to motivate them to schedule repairs. Recognizing this, the Monitor sought to more fully understand the role dealers play in automotive recalls and the Monitor interviewed dealers for a wide variety of affected vehicle manufacturers.

These interviews occurred in Texas and Florida in May and June 2016. During these interviews, dealers expressed significant interest in conducting outreach for the Takata recalls and their view that they are uniquely positioned to engage their local communities. Many dealers told the Monitor that they understand their local markets in greater depth than do the affected vehicle manufacturers, which is a potential asset for enhancing recall outreach efforts with more tailored strategies.

Dealers also indicated that for their outreach efforts to be most effective, they need more complete and accurate data for affected vehicle owners, reasonable compensation for the services they provide and improved communications with affected vehicle manufacturers about part supply, loaner vehicle availability and other programs or initiatives.

The Monitor's observations regarding dealers' engagement with the Takata recalls are set forth in Figure 22.

Figure 22: Dealer Observations

Issue	Observation
Incentives	Many dealers do not feel adequately incentivized to prioritize completing or communicating the need for Takata recall repairs. While dealers are compensated by vehicle manufacturers for Takata recall repairs, the net margin for these repairs is insignificant and substantially less than what the dealership earns from making other kinds of repairs—such as warranty and private pay service repairs.
Awareness	Many dealers are unaware of critical details regarding the Takata recalls, the services the vehicle manufacturers have made available or the availability of replacement parts. For example, some dealers the Monitor interviewed were unaware that final remedy parts were available, that affected vehicle manufacturers would pay for rental vehicles or of the approximate number of vehicles with open Takata recalls in their area.
Data	Many dealers feel they receive inadequate data from affected vehicle manufacturers and inadequate resources to conduct outreach. Accordingly, dealers do not feel equipped to conduct outreach related to the Takata recalls. Dealers told the Monitor that the information shared by vehicle manufacturers was often voluminous and in a format that could not easily be reviewed or used. In addition, smaller dealers indicated that they simply did not have the resources to conduct proactive outreach. Larger dealers with internal business development centers indicated that the information they received from vehicle manufacturers, particularly for recalls of older vehicles, was often incorrect or incomplete.
Differentiation	Many dealers do not perceive that vehicle manufacturers differentiate the Takata recalls from other recalls or make the Takata recalls a priority. Many dealers indicated that the Takata recalls were treated as "just another recall". Furthermore, many vehicle manufacturers do not measure the dealers' performance related to the Takata recalls, discuss them individually with the dealers or solicit feedback or comments from the dealers. This reinforces the dealers' perception that the Takata recalls are not a priority to the vehicle manufacturer.

5. Independent Repair Facilities

Independent repair facilities ("IRFs") and collision centers are important players in the Takata recalls. Many owners of older vehicles do not visit dealerships for regular servicing or repairs and instead visit community-based IRFs to service their vehicles. Recognizing this, the Monitor has discussed IRF engagement strategies with affected vehicle manufacturers and encouraged them to leverage IRFs to notify vehicle owners of open Takata recalls and explore opportunities for information sharing.

The Monitor has also engaged software providers used by IRFs and collision centers in an effort to better understand the data available to these entities and the notification platforms they use during the repair process. This engagement taught the Monitor that these software platforms typically require the entry of a vehicle identification number ("VIN") as an identifier for the repair facility databases, thus providing an opportunity for system integration that can verify whether the vehicle is under recall, what the defect is and how the IRF technician can assist in facilitating a repair at the dealership. In addition, the software platforms typically have the ability to collect owner contact information and repair order information, which can assist affected vehicle manufacturers in conducting recall outreach.

Engaging with these software providers, who have established relationships with many IRFs around the country, has also provided greater insight into the space IRFs occupy in the repair process. There is often a strong, trusted relationship between vehicle owners and local IRF technicians. In addition, there is typically a strong, trusted relationship between IRFs and franchised dealers, from whom IRFs often must purchase repair parts. IRFs also frequently have established relationships with local salvage and scrap yards, where replacement parts can be purchased as well. These various relationships make IRFs valuable touchpoints within the vehicle recall process.

6. Part Suppliers

The Monitor and NHTSA regularly review current part supply levels across all affected vehicle manufacturers. The Monitor and NHTSA also created a reporting mechanism called the "Supplier Dashboard", through which suppliers report a number of data points regarding supply and capacity on a monthly basis, including information regarding inflator types, global monthly capacity levels, current and forecasted production, current and forecasted orders and total Takata replacement production volumes. In addition, the Monitor has monthly calls with each of these suppliers to discuss their submissions and any outstanding issues.

The Monitor also analyzes Takata's replacement part and kit building capacity. The Monitor attends Takata airbag replacement kit calls, conducts bi-weekly calls with Takata and receives data related to kit production. The Monitor and NHTSA use this information in conjunction with the Supplier Dashboards to analyze monthly supply and demand for replacement parts by affected vehicle manufacturer and inflator type. This analysis allows the Monitor and NHTSA to observe the entire replacement part supply chain across all affected vehicle manufacturers and suppliers.

7. State and Local Governments

The Monitor has engaged a wide variety of other stakeholders at the local level, including state Departments of Motor Vehicles ("DMVs"), state Departments of Transportation, state Bureaus of Automotive Repair, local law enforcement departments and other local officials. These stakeholders have been receptive to the Monitor's discussions regarding opportunities for raising awareness, notifying owners of open recalls and sharing recall-related information, and many have collaborated on a number of initiatives.

For example, the California DMV now raises awareness of the Takata recalls by playing videos in waiting areas that encourage vehicle owners to check whether their vehicles are subject to recalls. These videos are played in both English and Spanish. Figure 23 shows still shots from the English language version of this video.

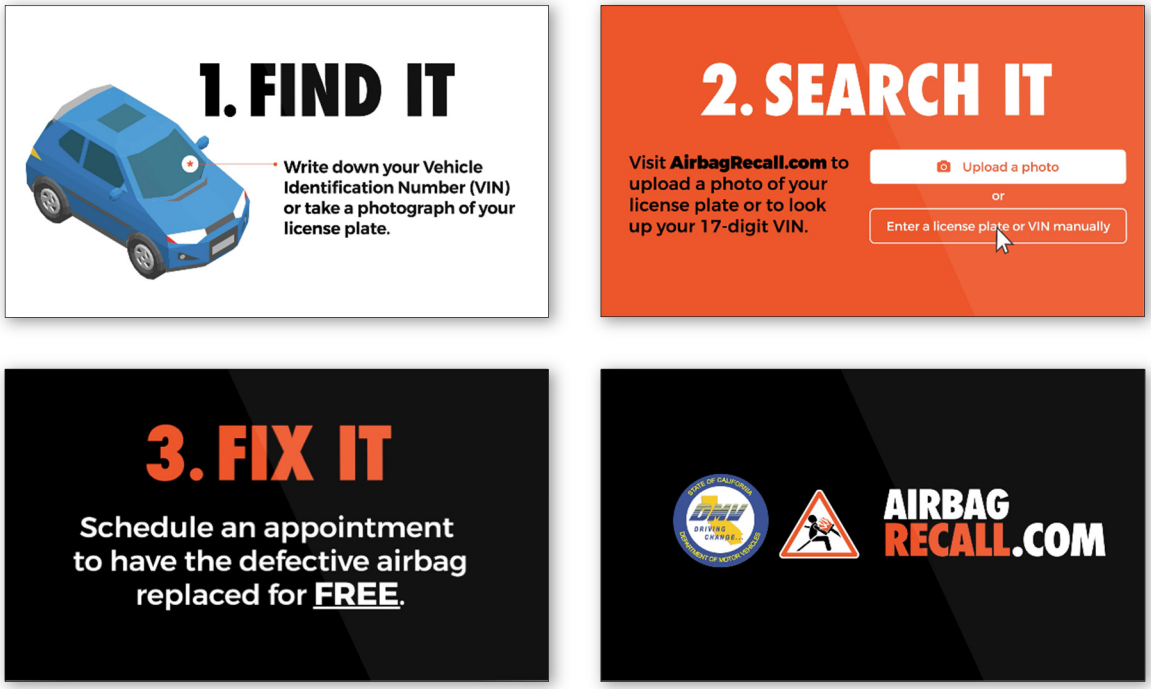
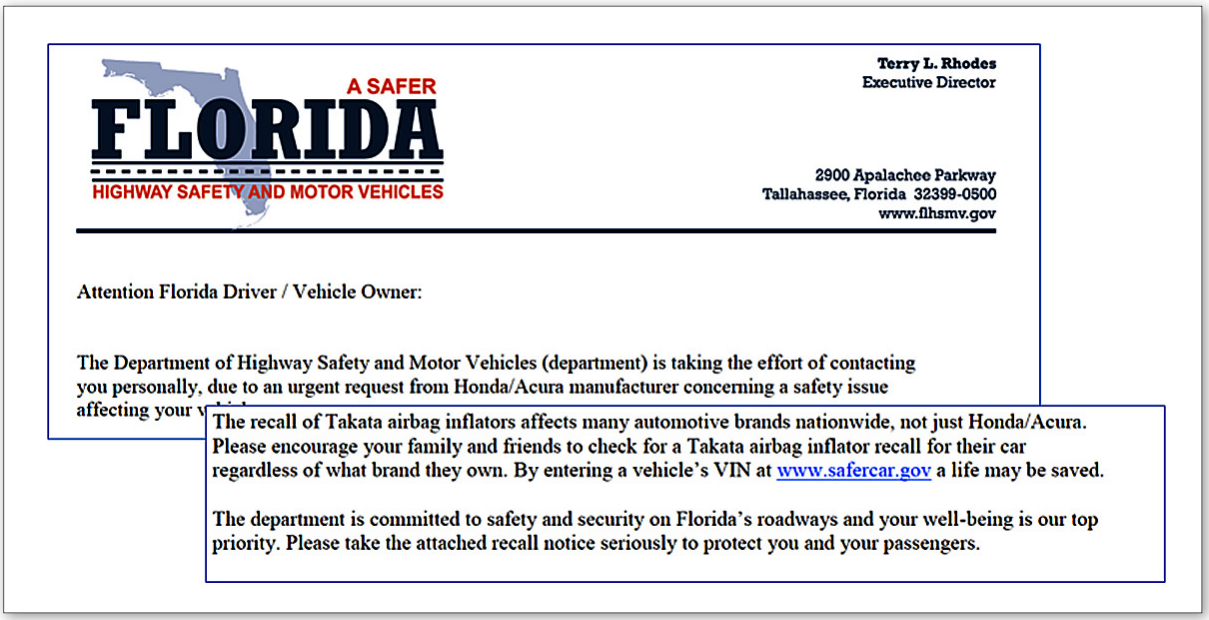


Figure 23: Still Shots from English Language Video Played by California DMV

An expansion of this effort to other state DMVs is currently underway in coordination with several affected vehicle manufacturers.

The Florida Department of Highway Safety and Motor Vehicles ("DHSMV") has also conducted a coordinated state outreach initiative. The Florida DHSMV recently sent a letter in English and Spanish to registered owners of Alpha vehicles and accompanying literature regarding the Takata recalls.



A SAFER FLORIDA
HIGHWAY SAFETY AND MOTOR VEHICLES

Terry L. Rhodes
Executive Director

2900 Apalachee Parkway
Tallahassee, Florida 32399-0500
www.flhsmv.gov

Attention Florida Driver / Vehicle Owner:

The Department of Highway Safety and Motor Vehicles (department) is taking the effort of contacting you personally, due to an urgent request from Honda/Acura manufacturer concerning a safety issue affecting your v

The recall of Takata airbag inflators affects many automotive brands nationwide, not just Honda/Acura. Please encourage your family and friends to check for a Takata airbag inflator recall for their car regardless of what brand they own. By entering a vehicle's VIN at www.safercar.gov a life may be saved.

The department is committed to safety and security on Florida's roadways and your well-being is our top priority. Please take the attached recall notice seriously to protect you and your passengers.

Figure 24: Excerpts from Letter to Registered Owners of Alpha Vehicles

The Monitor, working with NHTSA, has piloted a number of other initiatives with state and local government agencies, including working with the Houston Department of Public Works to include double-sided, bilingual inserts in more than 400,000 Houston water bills during the November 2016 billing cycle (See Figures 25 and 26).

Figure 25: Front of Houston Water Bill Insert

Figure 26: Back of Houston Water Bill Insert

8. Insurance Companies

Insurers typically have accurate and current contact information for insured vehicle owners and regular contact with them through mail and email. As such, they are particularly well-positioned to communicate with affected vehicle owners regarding the need to have their vehicles repaired. However, insurers historically have not played significant roles in recall efforts. In addition, there is currently no single, centralized tool that would enable insurers to check insured vehicles on a large scale for open recalls, making it difficult for insurers efficiently to look up whether any vehicles under their purview have open recalls.

The structural impediments to engaging the insurance industry are particularly difficult for affected vehicle manufacturers to overcome working alone. Recognizing that industry-wide collaboration would likely be an effective way to engage this industry, the Monitor established a working group of nine affected vehicle manufacturers tasked with brainstorming and implementing initiatives to engage the insurance industry.[19] In addition, the Monitor has established a working group dedicated to evaluating and tracking the development of a batch lookup tool—a centralized tool that would permit an entity to look up open recalls for a large group of vehicles at one time.

Since the Monitor established these initiatives, there has been substantial progress. A batch lookup tool is currently under development. There has also been some recent movement in working with insurers through salvage auctions, to enable repairs at auction facilities and in conjunction with recent hurricane responses. While this represents a small first step, the Monitor is hopeful that this engagement can be expanded into additional forms of collaboration with insurers.

C. Initiatives

The Monitor undertook a number of initiatives in conjunction with NHTSA to help affected vehicle manufacturers increase repair percentages. As discussed in further detail below, the Monitor piloted initiatives including canvassing vehicle owners door-to-door, enhancing vehicle owner data, bolstering affected vehicle owner reporting requirements, providing affected vehicle manufacturers access to a data visualization tool, building an Airbag Recall website and app, partnering with community groups to contact difficult-to-reach vehicle owners, advertising the airbag recalls, hosting summits for affected vehicle manufacturers and engaging salvage recovery vendors.

1. Vehicle Owner Canvassing

Because of the heightened risk posed by Alpha vehicles and the relative difficulty in reaching and motivating these vehicle owners to have their airbags replaced, the Monitor began a door-to-door canvassing pilot in Houston and Dallas—two cities located in the HAH zone—to repair these particularly dangerous vehicles and test the efficacy of canvassing.

[19] This working group is discussed in greater detail in Section VI.C.9.

Figure 27: Canvassers in Texas

To commence its canvassing effort, the Monitor first aggregated contact information for these vehicle owners from a wide range of data sources, sourcing both DMV and non-DMV data. For many VINs, the data sources provided vehicle owner names, addresses, phone numbers and email addresses. The Monitor also undertook a comprehensive data integrity analysis—comparing data from each data source to identify any discrepancies. The Monitor established a tiered rating system for the level of confidence in each address; addresses with the highest levels of confidence were targeted first.

The Monitor then organized, trained and managed teams of canvassers in Houston and Dallas. The field canvass operated in teams of two, with one team member ordinarily proficient in Spanish. To prepare for the canvass, the Monitor developed scripts and educational literature for canvassers to use when speaking with affected vehicle owners or their friends and family. Training emphasized the need to carefully listen, identify the perceived barriers to vehicle repair and develop a relationship of trust.

To ensure the canvass had the proper data infrastructure to permit efficient canvassing and optimal information gathering, the Monitor developed a data-gathering tool called the Canvassing Daily Report ("CDR"), which captured information about the interaction each canvasser had with whomever answered the door. The CDR tracked whether contact was made with someone, whether that person was the vehicle owner, whether an appointment was scheduled, the language spoken by the individual who answered the door, whether the individual who answered the door indicated that the vehicle had been sold, scrapped or salvaged, and whether the owner had moved.

The Monitor analyzed weekly results from the CDRs to calculate the number of appointments made and completed. Using data collected cataloging the days of the week and times of day when canvassers made contact with owners, the Monitor identified particular times where canvassing attempts would be most effective.

The Monitor also tested whether contact immediately preceding the door-to-door interaction would enhance the likelihood of an affected vehicle owner scheduling an appointment. The Monitor sent postcards to vehicle owners in the days immediately preceding the planned canvassing activities indicating that canvassers would be in the vehicle owner's neighborhood in the coming days, and communicated to the affected vehicle owner that they had an open Takata recall, the dangers of the defect and the importance of having their vehicle repaired. During the subsequent canvassing activities, canvassers reported that vehicle owners who had received this outreach and were expecting the canvass were often more willing to schedule an appointment.

The canvass pilot was effective in reaching vehicle owners and increasing repair activity. Data from the canvassing pilot showed canvassing to be five times more effective at its peak in these areas than all other outreach strategies employed by the vehicle manufacturer responsible for recalling these vehicles combined. During this period, the Monitor's canvassing efforts accounted for 85% of all repairs for the type of vehicles targeted in Houston and Dallas. In the wake of the Monitor's pilot, one affected vehicle manufacturer has recently launched a national canvassing effort for its highest risk unrepaired vehicle population, and other affected vehicle manufacturers are also considering canvassing.

2. Vehicle Owner Identification

Most affected vehicle manufacturers have historically relied on state DMV registration information to gather contact information for recall outreach. This information is collected and aggregated from different states' DMV offices by third-party vendors who sell the data to affected vehicle manufacturers.

Affected vehicle manufacturers vary regarding how often they update their registration data. Some affected vehicle manufacturers update their registration data on a quarterly basis with others updating it less frequently.

To assess the efficacy of the industries' traditional approach to identifying current vehicle owners, the Monitor conducted a pilot assessment of DMV registration data for a particular group of older, high-risk vehicles in the Houston area. The Monitor's analysis focused on data from four providers, including two sources of non-DMV ownership data, one DMV-based source and a fourth source using license plate recognition technology. The results of this analysis confirmed the Monitor's and NHTSA's concerns that reliance on single-source owner DMV registration information, infrequently updated, is generally inadequate to identify correctly current vehicle owners, resulting in substantial numbers of outreach mailings being sent to an incorrect address. 52% of the VINs analyzed raised concerns that the DMV address in use was incorrect. Nearly 25% of the DMV addresses the Monitor evaluated did not match DMV addresses from other sources, and an additional 15% of VINs had an address from a non-DMV source that did not match the DMV address the affected vehicle manufacturer had provided. Information for 18% of VINs required further investigation due to destroyed, exported, stolen, salvaged or impounded classifications or registrations to entities and addresses marked undeliverable by the U.S. Postal Service.

The Monitor's door-to-door canvassing effort in Houston also confirmed examples of vehicles residing at addresses other than those on file at the DMV.

3. Data Analysis

Pursuant to the Monitor's authority to "take such reasonable steps, in the Monitor's view, as are necessary to be fully informed about the operations of the Coordinated Remedy Program" (CRO ¶ 44(a)), and the affected vehicle manufacturers' "affirmative duty to cooperate with and assist the Monitor in connection with the Coordinated Remedy Program" (CRO ¶ 44(d)), the Monitor took steps to understand the affected vehicle manufacturers' recall efforts. To this end, the Monitor requested a number of data fields necessary to permit the Monitor to be informed of and assess the manufacturers' completion percentages, completion rates, part supply and recall initiatives on an ongoing basis.

a. Dashboard Reporting

The Monitor has assisted the affected vehicle manufacturers in providing information by creating and maintaining the "Monitor Dashboard"—a template through which affected vehicle manufacturers provide the specific data points for tracking their progress under the Coordinated Remedy Program. This dashboard currently consists of nine separate data reports that affected vehicle manufacturers submit on a bi-weekly basis. The information requested and subsequent analysis conducted is set forth in Figure 28.

Figure 28: Monitor Dashboard Information Requests and Analysis

Monitor Dashboard Section	Information Requested	Analyses Conducted
Completion Overview	Counts of inflators affected and repaired by make, model and model year within each Priority Group, and counts of inflators affected and repaired within the HAH region and Zones A, B and C.	Monitoring completion percentages, incremental repairs and unrepaired inflators by affected vehicle manufacturers in total, by Recall Campaign, by Priority Group and by make, model and model year.
Registrant Model	Counts of inflators affected and repaired by make, model and model year for certain registration attributes, such as registration changes and ownership type.	Measuring repair activity among vehicles with the reported attributes to identify segments that are under- or over-performing relative to the average completion percentages.
Zip Codes	Counts of inflators affected and repaired by make, model and model year within each zip code.	Identifying unrepaired inflators and repairs within specific geographic areas, such as individual states, metropolitan area, counties and zip codes; analyzing repair activity within urban and rural areas.
Dealers	Repair activity for each dealer and additional dealer information such as size of dealership.	Identifying high- and low-performing dealers and comparing those performances to allow affected vehicle manufacturers to identify best practices and unique challenges faced by dealers.
Global[20]	Inflator counts and types of Takata recalls under non-U.S. jurisdiction.	Analyzing parts capacity, as global inflator demand impacts domestic inflator supply.
Parts Available	Inventory of remedy parts by part number and counts of vehicles that use specific parts.	Measuring sufficiency of part supply.
Part Orders	Seven week part order forecast by part number.	Identifying expected parts that are not currently available for dealers to perform repairs but which have been ordered and can supplement future part supply.
Outreach	Types of outreach conducted and the number of recipients targeted by outreach type.	Tracking the types of outreach affected vehicle manufacturers are conducting, and the timing and duration of such activities.
Validation	Check totals from all other Monitor Dashboard sections.	Conducting quality control to ensure all information expected from the affected vehicle manufacturers is received and imported.

NHTSA and the Monitor continually evaluate the information provided by the Monitor Dashboard to ensure it is useful for monitoring the affected vehicle manufacturers' recall activities.

b. Data Integrity in the Monitor Dashboards

The Monitor developed the Monitor Dashboard with an understanding that it would need to be routinely reviewed to ensure the information provided by affected vehicle manufacturers is accurate. For this reason, the Monitor Dashboard is structured to permit easy comparison of the different sections within each bi-weekly submission to ensure the same data points are reported consistently across different reports. The structure also permits the Monitor to cross-reference information fields in new reports against those provided in previous reports, which further helps to ensure consistency.

The Monitor uses this system of internal checks to reconcile and analyze the various data sets provided by affected vehicle manufacturers, individually and in aggregate, to identify any errors or omissions. This allows concerns or questions about the integrity of data submissions to be quickly identified and addressed. Any data anomalies that the Monitor identifies are quickly communicated to the affected vehicle manufacturer responsible for the data report, and the Monitor works with the affected vehicle manufacturer to remedy the issue.

4. Formal Recommendations

Paragraph 44 of the CRO authorizes the Monitor to "make additional recommendations aimed at enhancing the Coordinated Remedy Program and ensuring that all Coordinated Remedy Program deadlines, including those in [the CRO], are met." Based on the Monitor's study of the recall, and in consultation with NHTSA, the Monitor has issued a number of formal recommendations to enable affected vehicle manufacturers to repair their recalled vehicles more quickly and navigate the complexity of the Takata recalls. These recommendations center on enhanced outreach methods, dealer relations and coordinated communications.

a. Enhanced Outreach Recommendations

On April 1, 2016, the Monitor recommended that affected vehicle manufacturers enhance their recall strategies by improving the quality of their outreach and engaging the private sector. These recommendations fit into four broad categories: (1) improving consumer outreach, (2) engaging dealerships, (3) engaging other third parties such as IRFs and outreach vendors to conduct outreach and (4) employing salvage recovery services to retrieve scrapped or salvaged inflators. The Monitor's recommendations were based on a close analysis of the affected vehicle manufacturers' Recall Engagement Plans and various discussions with industry stakeholders, described in greater detail in Section VI.B.

Prior to these recommendations, many affected vehicle manufacturers were employing conventional, homogeneous approaches to recall outreach, relying on boilerplate

[20] This metric is exclusive of U.S. inflator counts.

notification letters and automated "robocalls" to motivate vehicle owners to have repairs. The Monitor observed that, as to these conventional forms of outreach, many affected vehicle manufacturers were not targeting vehicle owners who frequently used the internet and apps. To address this, the Monitor recommended a number of enhanced outreach strategies that leveraged social media networks, mobile applications and SMS messaging to reach vehicle owners across a wider range of communications mediums, as well as improvements to the manufacturers' websites to make recall outreach more prominent and user friendly.

In addition, many affected vehicle manufacturers were not significantly engaging dealers or other third parties to proactively conduct recall outreach. For example, many industry stakeholders indicated that vehicle owners often bring their vehicles to IRFs for servicing and repairs, rather than to a dealer, making them an effective touchpoint for some difficult-to-reach vehicle owners.

The Monitor also observed that many affected vehicle manufacturers were not targeting defective inflators that had been scrapped or salvaged before these inflators re-entered the stream of commerce. Based on discussions with industry stakeholders, the Monitor had observed that many third-party vendors specialized in targeting these inflators and could be helpful in addressing this discrete population.

b. Dealer Relations Recommendations

On July 15, 2016, the Monitor recommended that affected vehicle manufacturers more proactively engage with dealers and measure the number of Takata repairs their dealers complete. Prior to these recommendations, the Monitor had observed that some dealers appeared disengaged from the Takata recall process, unaware of its importance and lacking sufficient information to answer customer questions and notify affected vehicle owners about the need for repairs. To address this, the Monitor recommended that affected vehicle manufacturers direct communications to their dealers to provide them with customer data and guidance on recall messaging. For example, the Monitor recommended that affected vehicle manufacturers provide dealers with lists of VINs with open recalls in their respective areas, measure the number of vehicles they repaired on a regular basis and provide additional incentives.

To incorporate dealers into more targeted local recall outreach efforts, the Monitor also recommended that affected vehicle manufacturers implement systems through which they could share information with dealers and ensure they have the resources to conduct effective outreach. During initial interviews with the Monitor, many dealers indicated that they viewed themselves as well positioned to conduct recall outreach because they had pre-existing relationships with many local vehicle owners and familiarity with their community.

c. Coordinated Communications Recommendations

On December 23, 2016, the Monitor recommended that affected vehicle manufacturers use frequent, multi-channel outreach that clearly describes the dangers of defective Takata airbags and conveys a clear path to remedial action. Specifically, the Monitor recommended affected vehicle manufacturers use bright, attention-grabbing figures and colors in order to prompt affected vehicle owners to pay attention, and clearly convey in simple terms the danger of the Takata defect. In addition, the Monitor recommended affected vehicle

manufacturers use prominently displayed key messages communicating the urgency of having one's vehicle repaired, the steps affected vehicle owners could take to schedule repairs and that repairs are free. The Monitor further recommended these communications be made in both English and Spanish, to ensure that the many Spanish-speaking affected vehicle owner would be able to understand the content of these recall notices. To assist affected vehicle manufacturers in crafting such content, the Monitor provided them with a set of key messages and concepts that recall notifications should contain, and guidelines on the various methods and channels through which these communications should be sent to clearly convey the importance of having one's vehicle repaired.

As discussed more fully in Section VI, the Monitor based these recommendations on the qualitative and quantitative research conducted in 2016 as well as a prior industry studies conducted by affected vehicle manufacturers. This research found that conveying the urgency of having one's vehicle repaired in clear, easy to understand terms is an essential feature of effective recall outreach. In addition, this research found that the best way to convey urgency and communicate the issue in terms affected vehicle owners will understand is to use attention-grabbing phrases and non-verbal figures, and avoid technical terms such as "rupture" that confuse individuals not already familiar with the Takata defect. The research also found that perceived barriers regarding the inconvenience of repairs—such as the belief that they will cost a great amount of time and resources—could be overcome with clearer communications. Likewise, these collective studies found that using multiple channels of communication and sending affected vehicle owners multiple communications stressing the importance of having a repair were effective and necessary in motivating affected vehicle owners to have repairs.

Figure 29, below, provides a summary of the three sets of formal recommendations issued by the Monitor.

Figure 29: Formal Monitor Recommendations

Formal Recommendation	Summary
Enhanced Outreach Strategies (April 1, 2016)[21]	The Monitor recommended that affected vehicle manufacturers enhance their outreach strategies by: (1) Engaging in consumer outreach, including using social media, leveraging customers' networks, using streaming media and apps, using phone calls and SMS messages, contacting customers that search their VINs online, making the recall pages of websites more user friendly, tracking and measuring outreach efficacy, using multiple relevant languages and engaging in marketing partnerships; (2) Engaging the private sector, including developing collateral and communications that can be shared with vendors, seeking out national and local used car sellers to partner with, performing outreach to owners of fleet vehicles, business and government vehicle owners, distributing outreach materials to IRFs and targeting used vehicle sales; and (3) Engaging with salvage vendors and providing VIN information to these vendors.
Dealer Relations (July 15, 2016)[22]	The Monitor recommended that affected vehicle manufacturers ensure dealer recognition and accountability, provide dealers with customer data, leverage dealers to collect additional customer data, provide dealers with guidance regarding recall communications, expand the scope of dealer reimbursement policies, engage with wholesale auctions, evaluate technician training requirements and host dealer best practices roundtables.

[21] Recommendations of April 1, 2016, Independent Monitor for Takata and the Coordinated Remedy Program, attached as Appendix D.

[22] Recommendations of July 15, 2016, Independent Monitor for Takata and the Coordinated Remedy Program, attached as Appendix E.

Figure 29: Formal Monitor Recommendations

Formal Recommendation	Summary
Coordinated Communications Recommendations (December 23, 2016)[23]	The Monitor recommended that affected vehicle manufacturers pursue a multi-touch, multi-nodal communications strategy that employs non-traditional means of outreach (e.g., postcards, text messaging, social media); conveys the risk present by defective airbags in clear, accurate and urgent terms; anticipates and addresses possible consumer misperceptions relating to recall repairs and tailors communications to the individual owner and vehicle at issue to reinforce the message's credibility and distinguish it from commercial solicitations.

5. Data Visualization

The Monitor has developed a data visualization tool to summarize and analyze information provided by the affected vehicle manufacturers in the Monitor Dashboard. This tool enables affected vehicle manufacturers, NHTSA and the Monitor to easily review information, analysis, trends and maps based on the data provided through Monitor Dashboards as well as additional research and data secured by the Monitor. Specifically, the tool contains information submitted through dashboard reporting regarding completion percentages, completion percentages by specific owner attributes, dealer repair activity, outreach activity, repair part availability and Takata recalls for the affected vehicle manufacturer in foreign jurisdictions. The Monitor supplements this information with data from the U.S. census bureau and other publicly available sources.

The Monitor introduced this tool to affected vehicle manufacturers at the First Takata Recalls Summit in March 2017, and provided affected vehicle manufacturers access to it in April 2017. The Monitor also gave a demonstration of the tool's functionalities via WebEx when it granted affected vehicle manufacturers access to this tool.

Understanding the target audience by segmenting the population of unrepaired vehicle owners is key to ensuring effective, impactful recall outreach (discussed further in Section VIII). To this end, bi-variate maps—maps that graphically illustrate the relationship between two spatially distributed variables—provide an easy, efficient way for affected vehicle manufacturers to visualize and understand who their unrepaired vehicle owners are, what this data means and what their next steps should be to ensure their recall communications are understood by vehicle owners. This same information permits affected vehicle manufacturers to craft strategies regarding what services to offer to address owner inconvenience in getting their vehicles repaired. Furthermore, the various data points on dealerships provide affected vehicle

[23] Recommendations of December 23, 2016, Independent Monitor for Takata and the Coordinated Remedy Program, attached as Appendix F.

manufacturers with greater insight into how they can leverage their dealer network to increase repair rates.

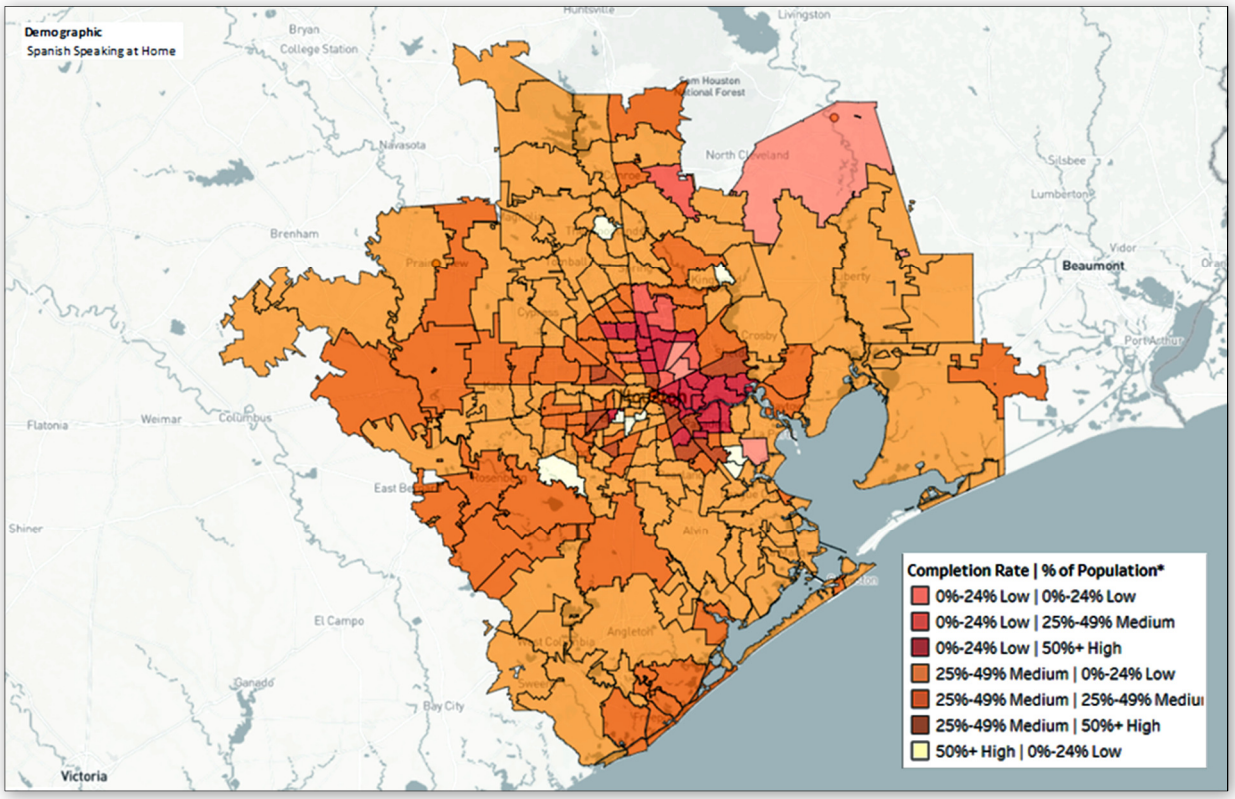


Figure 30: Correlations of Completion Percentages with Spanish-Speaking Population

Figure 30 provides an example of a bi-variate map for Houston, illustrating completion percentages cross-referenced against the percentage of homes in zip codes that are identified as Spanish speaking. The darkest shade of each color represents the highest concentration of homes identified as Spanish speaking. Red shades have low completion percentages for the Takata recalls and orange shades have moderate completion percentages for the Takata recalls. This map function helps to single out areas in the greatest need of recall outreach and provides insight into how to properly tailor outreach efforts to optimize impact.

The features in the data tool facilitate in-depth analysis and discussion between the Monitor, affected vehicle manufacturers and NHTSA, and demonstrate the value of detailed analysis to identify anomalies, trends and tactics. The bi-variate maps enable comparisons of repair activity and completion percentages by priority group, dealer, model make and year, zip code and other factors to permit affected vehicle manufacturers to plan next steps and visualize remaining tasks before they can meet the various Coordinated Remedy Program milestones. Finally, the data and visual tools provide NHTSA with greater visibility of data trends and completion percentage issues for specific affected vehicle manufacturers. The Monitor and NHTSA regularly discuss such trends, challenges or other observations regarding affected vehicle manufacturers' recall progress.

The Monitor has encouraged affected vehicle manufacturers to use these techniques to identify areas where communication could be customized to improve the likelihood that vehicle owners will receive notifications they understand, that clearly convey the urgency of the Takata recalls and that make it as easy as possible for the vehicle owner to schedule and make a repair. Recently, the Monitor has enabled all affected vehicle manufacturers, through this data tool, to view information such as this for 30 different languages. Several affected vehicle manufacturers are considering how to incorporate this data and analysis to improve completion percentages for the Takata recalls.

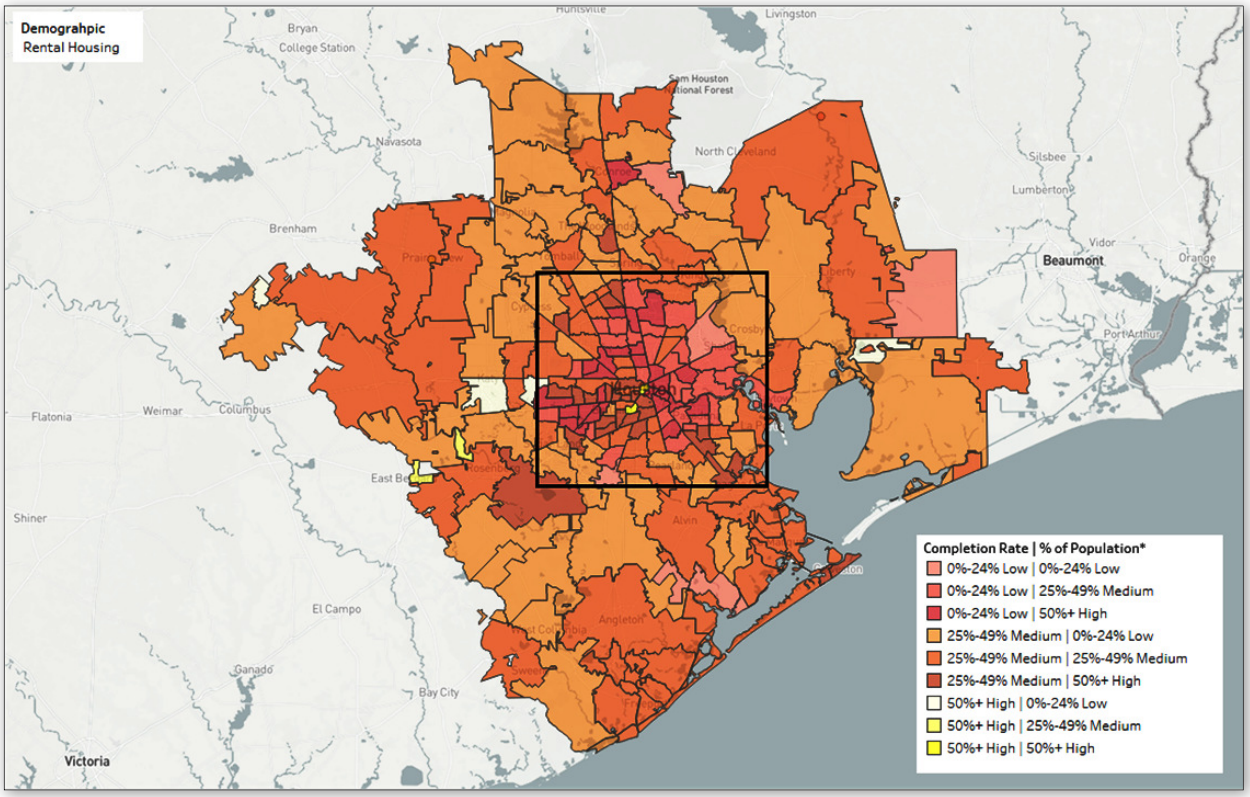


Figure 31: Correlations of Completion Percentages with Rental Housing

This data visualization tool also enables NHTSA and the Monitor to build from other initiatives. For example, through the Monitor's door-to-door canvassing in Houston and Dallas (discussed in Section VI.C.1), the Monitor observed that effectively contacting rental housing dwellers and scheduling their repair appointments can be challenging. Rental housing dwellers often have less time available to complete a repair and more frequently only have one vehicle per household. Figure 31 provides a map illustrating the concentrations of unrepaired inflators by rental housing, with the darkest shades of red indicating higher concentrations of both unrepaired inflators and rental households. This kind of map allows affected vehicle manufacturers to develop outreach materials and strategies that emphasize services making repairs more convenient, such as offering loaner vehicles, convenient repair hours and mobile service repairs at locations other than the dealership for areas that have particularly high concentrations of both unrepaired inflators and rental housing. The Monitor has also observed that address information for rental housing dwellers is often inaccurate, as renters move frequently without

updating their address with the DMV. Thus, maps of this type enable affected vehicle manufacturers to consider alternative notification techniques in certain zip codes that cast a wider net—such as outreach to large apartment building complexes with notifications posted in common areas.

More generally, the Monitor has encouraged affected vehicle manufacturers to use this data visualization tool to analyze each of its affected vehicle models and model years in large metropolitan areas across a number of demographic variables. Doing so enables the affected vehicle manufacturers to identify unique challenges vehicle owners may be facing, and to develop targeted strategies to overcome these challenges. Many affected vehicle manufacturers have expressed the value this data provides to them and indicated that they use it extensively in segmenting their unrepaired vehicle populations and formulating outreach strategies.

6. AirbagRecall.com

With NHTSA's and Takata's support, the Monitor analyzed the steps and impediments related to owners checking whether their vehicle is subject to a recall and launched a website called AirbagRecall.com to streamline the process. AirbagRecall.com helps overcome the observed barrier of owner inconvenience by making the user experience in learning about the Takata recalls, such as checking whether a vehicle is affected and getting a repair scheduled, as fluid and straightforward as possible. The website supplies easy-to-understand information regarding the Takata recalls, allows vehicle owners to check whether they have an open Takata recall by simply entering their license plate or VIN on the website and provides a phone number and a click-to-call option to a local dealer to immediately schedule a repair.

AirbagRecall.com represents, to the Monitor's knowledge, the first time license plates have been used directly to check a vehicle's open recalls. Previously, vehicle owners had to copy down the 17-digit VIN listed on their vehicle, then go online and type in the 17-digit VIN in order to check for open recalls. Screenshots of the website's easy-to-understand interface are provided in Figure 32.

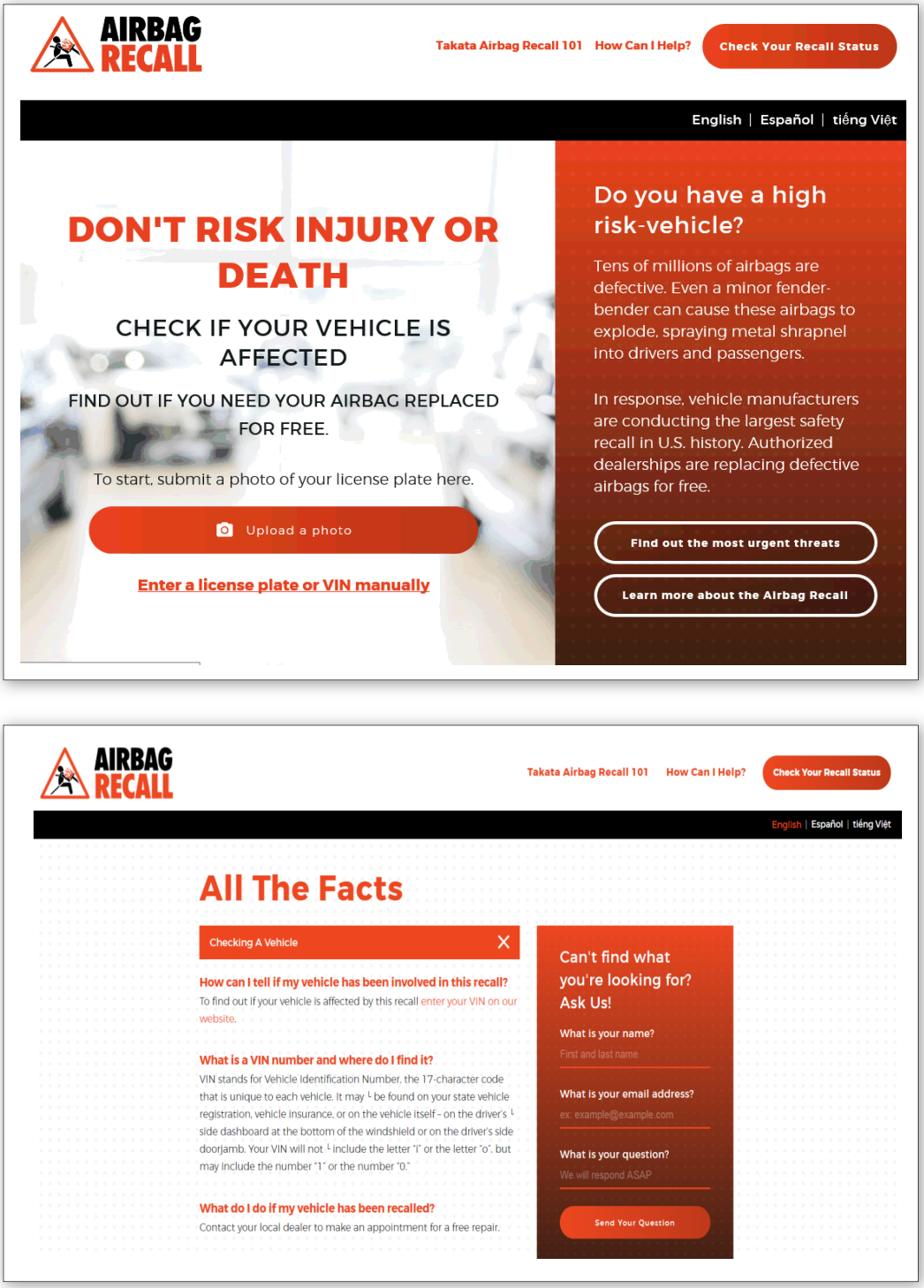


Figure 32: AirbagRecall.com Website

The Monitor also launched a mobile app with the same capabilities of AirbagRecall.com, as well as the capability to scan a license plate for open recalls by simply pointing a smartphone camera at the plate. This technology has never before been used in a

vehicle recall to the Monitor's knowledge. By removing the step that required users to type in their license plate numbers or VIN, this app makes it as easy as possible for users to find out whether their vehicle has an open recall and also permits larger-scale VIN checks by outreach organizations. This app is available in the Google Play and iTunes store, where it may be downloaded for free. Screenshots of the app's easy-to-use interface are provided in Figure 33.

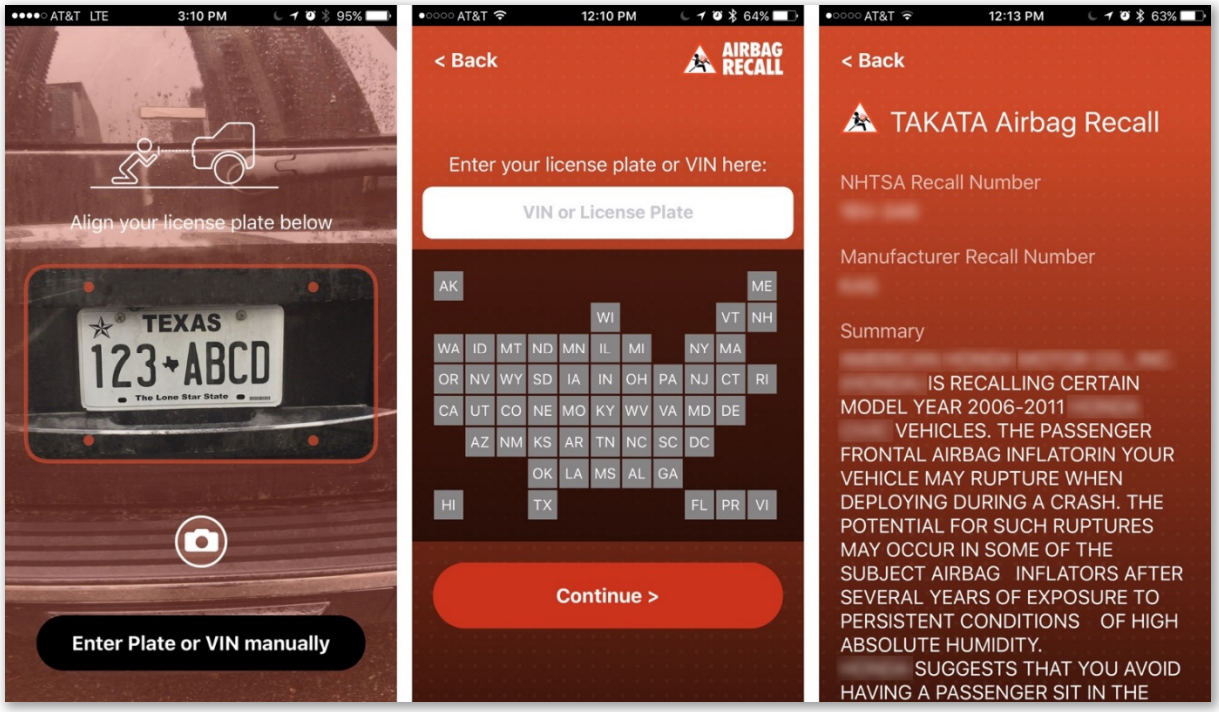


Figure 33: AirbagRecall App

Many affected vehicle manufacturers are currently in the process of integrating this app into their existing outreach plans.

7. Community Partners

In Houston, Dallas, Miami and Southern California, the Monitor launched pilot initiatives to mobilize local communities to engage in outreach regarding the Takata recalls and identify specific community members who could persuasively convey the message regarding the Takata recalls. This initiative aimed to leverage the familiarity and trust community members feel toward other community members, leading to improved receptiveness.

The Monitor, working with community leaders, has held press conferences, spoken with elected officials, engaged with DMVs and police departments, notified churches, libraries, schools, businesses, labor organizations, government agencies, non-profits, and cultural centers about the Takata recalls and conducted large-scale VIN check events in various communities. Community partners conduct frequent meetings with other community stakeholders and host multiple VIN check events per week.

Community partners are especially effective at engaging vehicle owners who are difficult to reach through traditional means. These hard-to-reach vehicle owners typically have limited English proficiency, lower levels of literacy and higher skepticism toward recalls in general. The confluence of these factors makes it challenging to engage the vehicle owner with a standard owner notification letter, robo-call, or email. The Monitor has witnessed community partners' ability to overcome these challenges and prompt individuals to get their vehicles repaired.

Figure 34 shows public officials in numerous cities raising awareness about the Takata recalls.

Cathy Phan, Outreach and Education Coordinator at Hope Clinic, Speaks During a Press Conference at Houston City Hall on July 12, 2016

Anitere Flores, State Senate President Pro-Tempore, Speaks During a Press Conference at the City of North Miami Police Department on January 18, 2017

Lieutenant David Ferry, Los Angeles Police Department, Speaks During a Press Conference at the Los Angeles Trade Technical College on March 27, 2017

Sylvester Turner, Mayor of Houston, Speaks During a Press Conference at Houston City Hall on July 12, 2017

Judge Clay Jenkins, Dallas County Judge, Speaks During a Community Planning Meeting July 12, 2017

Figure 34: Public Officials Raising Awareness of the Takata Recalls

With each wave of media attention, the Monitor has observed a corresponding increase in visits to AirbagRecall.com and an increase in vehicle repairs.

8. Paid Advertising

With input from the Monitor, Takata has conducted a targeted digital and social media ad campaign aimed at reaching drivers with vehicles containing the highest risk defective Takata inflators. Through a combination of display, search and social media advertising, vehicle owners see ads while browsing on mobile and desktop devices. The ads strategically vary, from videos to create awareness to display ads aimed at immediate action.

The pilot ads drove users to AirbagRecall.com, where users can enter their license plate or VIN to confirm that their vehicle has been impacted by the recall and contact a local dealership. Social media advertising such as sponsored Facebook posts allows friends and family to act as a value arbiter of the issue by sharing and tagging other users in comments to garner new attention. Frequent testing and optimization has been performed to make sure advertising content and tactics continue to be effective. From February 1 to September 25, 2017, with pilot advertising efforts during that period, the AirbagRecall.com program attracted 173,000 VIN look ups out of 634,000 unique visitors to the site.

9. Summits

The Monitor, in close collaboration with NHTSA, has hosted three Takata Recalls Summits ("Summits") to examine issues in the Takata recalls to better enable affected vehicle manufacturers to share best practices in recall completion and develop industry-wide strategies.

The first Summit occurred in March 2017. The Summit covered a number of topics, including the current state of the Takata recalls, the importance of ensuring vehicle owner data quality, the importance of dealer engagement in the recall and the progress related to the use of canvassing in scheduling and completing repairs related to the Alpha population. Feedback was also provided related to certain Coordinated Remedy Program provisions, including the Coordinated Communications Recommendations. Various affected vehicle manufacturers also participated by presenting on a number of topics, including motivating and communicating with drivers, outreach efforts and a panel discussion on unique and innovative strategies for outreach and data enhancements.

The second Summit occurred in July 2017, and more heavily leveraged both content from and participation by the affected vehicle manufacturers. Like the first Summit, the Monitor provided all affected vehicle manufacturers with an update regarding the state of the Takata recalls and Monitor activities over the past quarter, and initiated a broader discussion of dealer engagement recommendations and the need for strategic planning by each affected vehicle manufacturer. A number of affected vehicle manufacturers also shared success stories as part of a discussion on innovations, including communications testing, engaging IRFs, researching vehicle owners, engaging in multi-channel outreach and implementing local plans. Finally, each of the working groups established at the First Summit presented on their progress over the last quarter, including both successes and challenges, and addressed questions and comments from the broader group of summit attendees.

The third Summit occurred in October 2017, and again leveraged content from the affected vehicle manufacturers in addition to content provided by the Monitor and NHTSA. During this summit, NHTSA provided a review of the state of the recalls and discussed a number of considerations regarding accounting for vehicles under the Coordinated Remedy Program. The Monitor presented to the affected vehicle manufacturers on its fall 2017 research findings and the recent updates to its data visualization tool. The summit then transitioned to a number of panel discussions by various affected vehicle manufacturers on how to overcome the different barriers facing all or most affected vehicle manufacturers, such as owner inconvenience, the need to engage the insurance industry and segmenting one's unrepaired vehicle owner population. The summit concluded with a series of breakout sessions for the various working groups, followed by updates regarding each working group's progress and next steps.

A summary of the key topics covered at each Summit is provided in Figure 35.

Figure 35: Key Summit Topics

Summit Date	Topic
March 2017	• Data integrity • Dealer engagement • Canvassing • Coordinated communications • Unique and innovative outreach strategies • Communicating with vehicle owners • Establishment of working groups
July 2017	• Targeted metropolitan analyses & data visualization • Strategic planning and forecasting • Communications research and testing • Third-party engagement: DMVs, IRFs • Dealer engagement: measurement and incentives • Innovative recall initiatives • Working group updates
October 2017	• 2017 research findings • Overcoming owner inconvenience • Understanding non-compliant owners through canvassing • Using IRFs to overcome challenges • Segmented communications • Engaging third parties: insurers, auctions and used car dealers • Vehicle accounting considerations • Working group breakout sessions and updates

10. Outreach Vendors

Certain outreach vendors specialize in developing and administering automotive recall outreach. Several affected vehicle manufacturers have used one such vendor for creative development, mailing, email, robo-calls, text messages and live-operator calls. This vendor conducts multiple, multi-channel outreach attempts each month to affected vehicle owners. This vendor can also assist affected vehicle manufacturers with data collection and analysis to determine the best contact information for owners of affected vehicles and which affected vehicles are no longer on the road.

Because this outreach vendor can take a large role in an affected vehicle manufacturer's communications and recall strategies, NHTSA and the Monitor have met with representatives of the company in person and via telephone. NHTSA and the Monitor review the company's standard mailing templates and call scripts, and have made a variety of observations—generally based on the CCRs—which have been largely accepted. In addition, the Monitor shares data analysis it conducts and its assessment of the outreach in use. These efforts are intended to enable the vendor to learn from NHTSA's and the Monitor's analysis and improve its data infrastructure to enhance the effectiveness of its outreach. Since NHTSA and the Monitor began engaging with this vendor, the outreach materials sent to affected vehicle owners have begun to reflect a clear emphasis on tailoring impactful content to the language preferences and education levels of the affected vehicle owners.

11. Salvage Recovery Vendors

Salvage inflator collection is a critical aspect of the Takata recalls. Many of the vehicles subject to the Takata recalls are very old and will encounter "end of life" circumstances such as total loss accidents, operational malfunctions, or damage from weather events. Tracking these vehicles is particularly challenging because, even when these events occur, registration data often does not change or at most may indicate that an insurer has taken title to the vehicle. In addition, many smaller salvage yards do not maintain sophisticated electronic inventory management systems that would enable them to easily identify whether the vehicles in their inventory have defective inflators.

The fact that defective inflators are in salvage vehicles does not negate the risk they pose, as IRFs or individuals completing repairs at home may still purchase these airbag inflators and install them in other vehicles without realizing they have open recalls. Salvage inflators may pose an even greater risk in the HAH zone due to a vehicle's exposure to high heat and humidity over the extended period of time the vehicle is not operational.

As an example of these risks, on March 3, 2017, Karina Dorado, an 18 year-old woman, was involved in a minor crash in Las Vegas involving her 2002 Honda Accord, resulting in the deployment of a defective Takata airbag inflator. At a nearby trauma center, surgeons removed pieces of the metal airbag inflator that damaged her vocal cords and trachea and treated her for additional injuries to her neck. Ms. Dorado's vehicle was previously involved in an accident in 2015 and declared a total loss by the insurer. The vehicle was then repaired using a salvage inflator and sold to Ms. Dorado's family, which had no knowledge of the defective Takata inflator used in the repair and no reasonable way of knowing the vehicle contained a defective Takata airbag inflator.

The Monitor met with a salvage recovery partner to understand which affected vehicle manufacturers were collecting salvaged inflators at the time, what challenges these affected vehicle manufacturers encountered, the scope of the salvage recovery's services and any potential opportunities for collaboration or further efficiencies. After learning more about these services, the Monitor assisted interested affected vehicle manufacturers in understanding the importance of salvage. Over time, an increasing number of affected vehicle manufacturers are using salvage recovery services to collect these defective inflators.

Recently, in response to the flooding from Hurricanes Harvey, Irma and Maria in September 2017, the Monitor, in coordination with affected vehicle manufacturers, has sought to accelerate repairs of flood-titled[24] vehicles with open Takata recalls. One prominent salvage auction company has been receptive to this idea and is working with the Monitor to identify ways to notify all affected vehicle manufacturers of flood-titled vehicles they are holding in inventory. This will enable vehicle manufacturers to repair the vehicle before they go through the auction process. Virtually all affected vehicle manufacturers have voiced support for this initiative and activities are underway.

VII. ASSESSMENT OF THE TAKATA RECALLS

Many affected vehicle manufacturers were initially slow to engage meaningfully and think strategically about how to maximize recall repairs and to deploy the kind of innovative recall techniques needed for the Takata recalls. More recently, with the issuance of the CRO, the ACRO and the various Monitor recommendations and the independent efforts of several manufacturers, there has been marked improvement in recall completion percentages.

A. Lagging Completion Percentages Prior to the ACRO

Prior to November 2015, affected vehicle manufacturers had, in most instances, low repair completion percentages and low rates of repairs. Figure 36 shows completion percentages of then-affected vehicle manufacturers as of November 2015, when the original Coordinated Remedy Order was issued. As Figure 36 illustrates, the best performing affected vehicle manufacturer at that time—which had already been repairing its affected vehicles for over 18 months and was not facing significant parts constraints—had repaired 41% of its affected vehicle population. The second highest performing affected vehicle manufacturer had a 22% completion percentage and several affected vehicle manufacturers had repaired fewer than 10% of their respective unrepaired vehicle populations.

[24] While titling requirements and restrictions vary by state, generally a vehicle receives a flood title when it has been in water deep enough to fill the engine compartment.

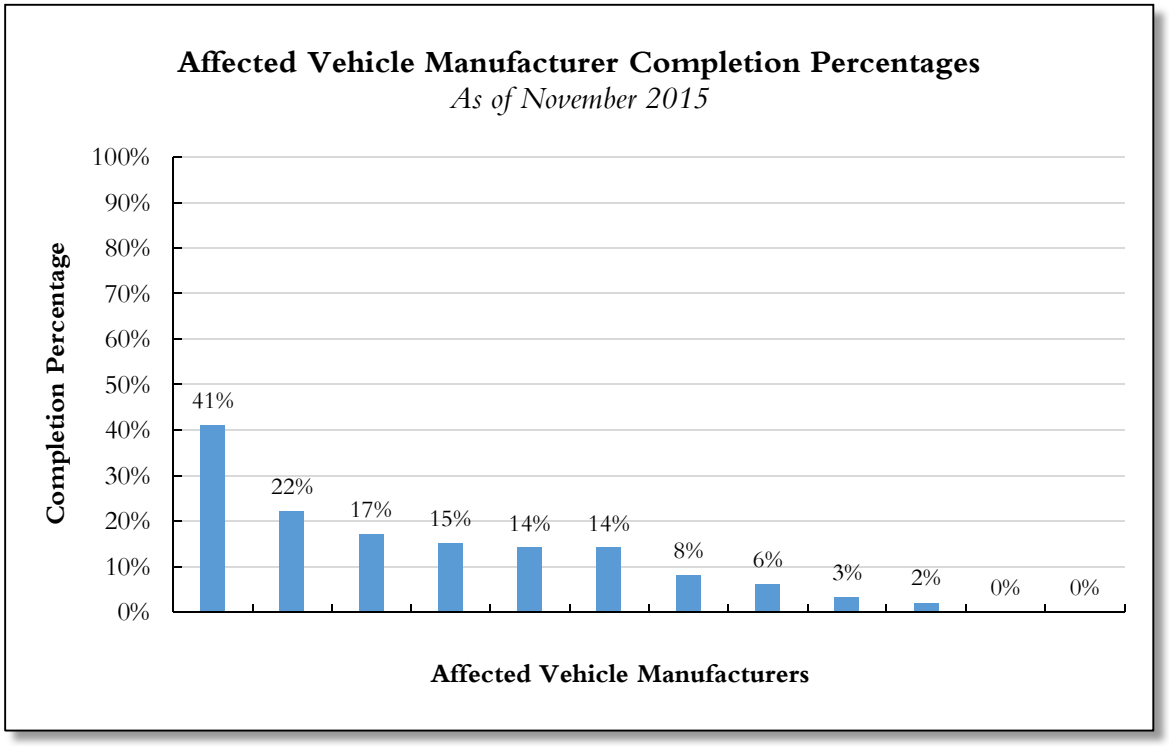


Figure 36: Affected Vehicle Manufacturer Completion Percentages as of November 2015

At the time, many affected vehicle manufacturers continued to rely on traditional recall techniques than strategic initiatives to target difficult-to-reach vehicle owners or ensure their recall outreach was as effective as possible. Even taking into account parts constraints and the recall campaigns' varying launch dates, these low overall completion percentages demonstrate the significant challenges affected vehicle manufacturers face in making repairs expeditiously.

During the period after the issuance of the CRO and before the issuance of the ACRO, there were several important developments. As the Monitor gathered information through the Monitor Dashboard, conducted regular calls with affected vehicle manufacturers, engaged with various stakeholders, shared observations with vehicle manufacturers and developed recommendations, certain vehicle manufacturers considered improvements to their recall initiatives. In addition, in May 2016, NHTSA announced Takata's expansion of the recalls to include all non-desiccated PSAN inflators, including all passenger-side inflators. This significant expansion of the recalls resulted in a large increase in the number of affected inflators and the necessity of developing replacement parts for passenger-side inflators over many months.

These factors resulted in many vehicle manufacturers concluding that status quo outreach would not be sufficient for the Takata recalls. Affected vehicle manufacturers began to implement enhanced recall escalation techniques, including proactively engaging dealers, segmenting unrepaired vehicle populations, improving communications content including the use of multi-lingual content, and deploying non-traditional forms of outreach. These techniques helped vehicle manufacturers begin to increase their completion percentages and remedy rates.

Prior to the issuance of the ACRO, repair completion percentages for Priority Group 1 through 3 vehicles followed a trajectory similar to that observed for other prior recalls of older vehicles. Figure 37 shows the completion percentage for a composite of other prior recalls of older vehicle as a blue line and completion percentages for Priority Group 1 through 3 vehicles (which similarly contain older vehicles) as an orange line. This figure demonstrates that typical recalls of older vehicles, which employ limited outreach efforts, experience a leveling off in completion percentage. In contrast, following the release of the ACRO, Priority Group 1 through 3 vehicles in the Takata recalls have seen a substantial increase in completion percentages. This is particularly notable given the significant challenges related to the repair of older vehicles that have been under recall for a significant period of time, such as the Priority Group 1 through 3 vehicles. The provisions of the ACRO and the ongoing efforts of NHTSA and the Monitor encourage affected vehicle manufacturers to develop the innovative outreach techniques that are resulting in a higher repair rate than typically experienced for recalls of older vehicles.

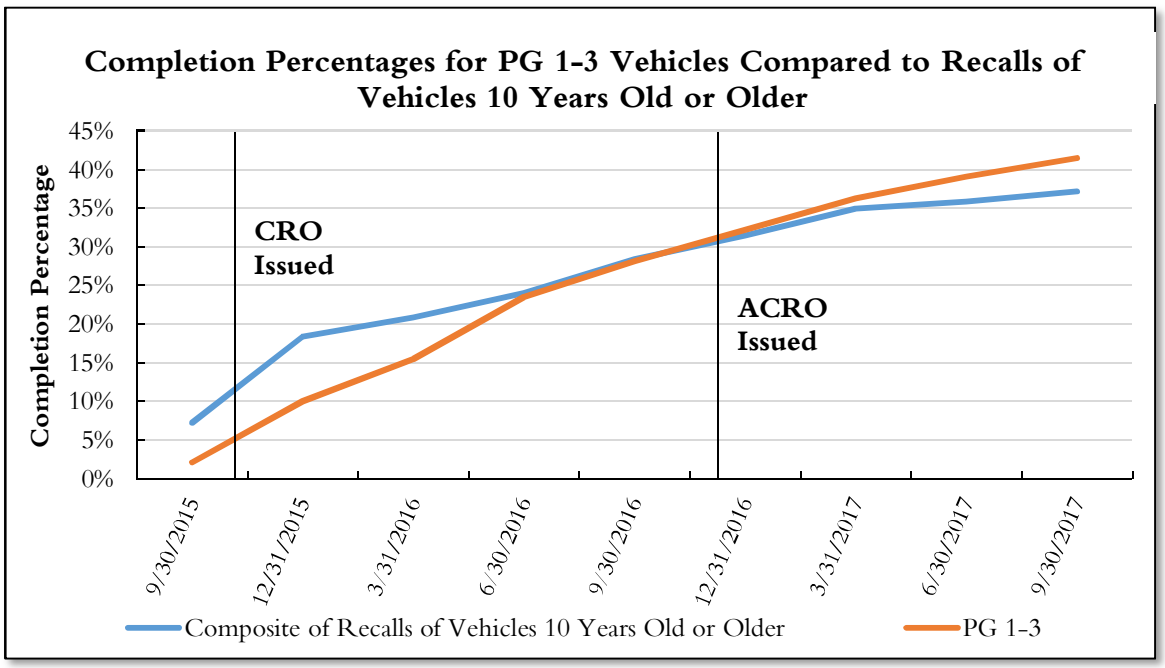


Figure 37: Completion Percentages for PG 1-3 Vehicles Compared to Recalls of Vehicles 10 Years Old or Older

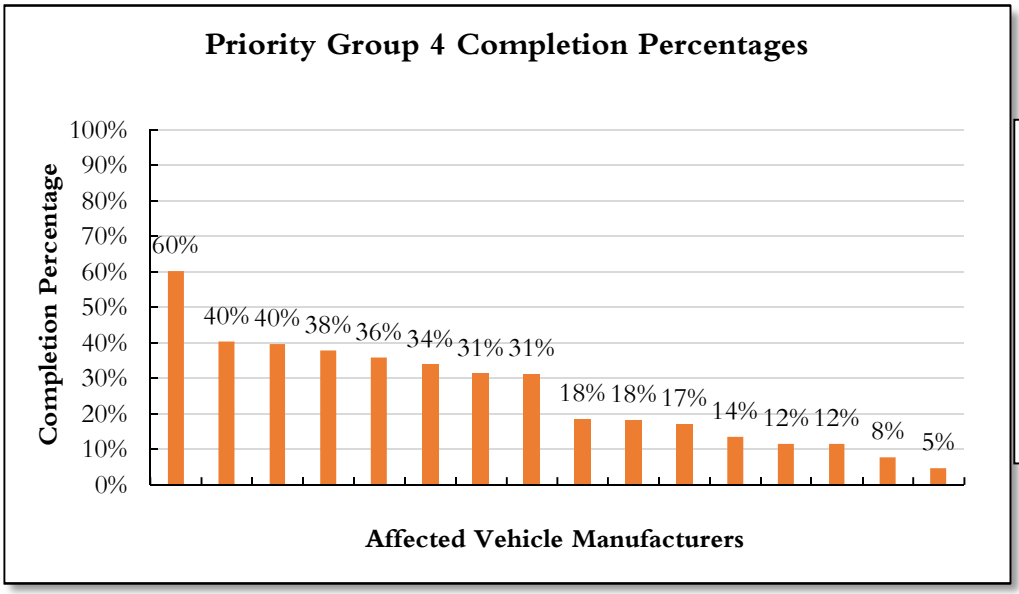
B. Increasingly Robust Recall Completion Percentages Following the ACRO

On December 9, 2016, NHTSA issued the Third Amended Coordinated Remedy Order. As discussed more fully in Section V, the ACRO adds new Priority Groups and requires all affected vehicle manufacturers to submit various plans and certifications that track their progress and chart out their intended next steps.

Priority Groups 4 and 5, which were added by the ACRO, have had the benefit of the Monitor's recommendations of frequent, multi-touch outreach—that is, consistent, repeated messaging through multiple different channels—and other innovative repair strategies.

These Priority Groups have also enjoyed outreach efforts informed by best practices of other affected vehicle manufacturers and aided by new initiatives arising from industry collaboration encouraged by the Monitor and NHTSA. Furthermore, these Priority Groups have benefitted from the quarterly self-assessment, regular milestones and regular tracking of part supply required by the ACRO.

Figure 38 reflects completion performance for vehicles in Priority Group 4, as reported by each affected vehicle manufacturer as of the dashboard reporting cycle ending on September 15, 2017. Under the Coordinated Remedy Program, Priority Group 4 campaigns were scheduled to launch on or before March 31, 2017. Affected vehicle manufacturers are required to create and implement a plan designed to complete repair of forty percent of vehicles in Priority Group 4 by September 30, 2017, and fifty percent by year-end 2017. As Figure 38 illustrates, affected vehicle manufacturers have reported completion percentages in line with these milestones.



Many affected vehicle manufacturers achieved their first Priority Group 4 completion milestones and are on track to meet their next milestones.

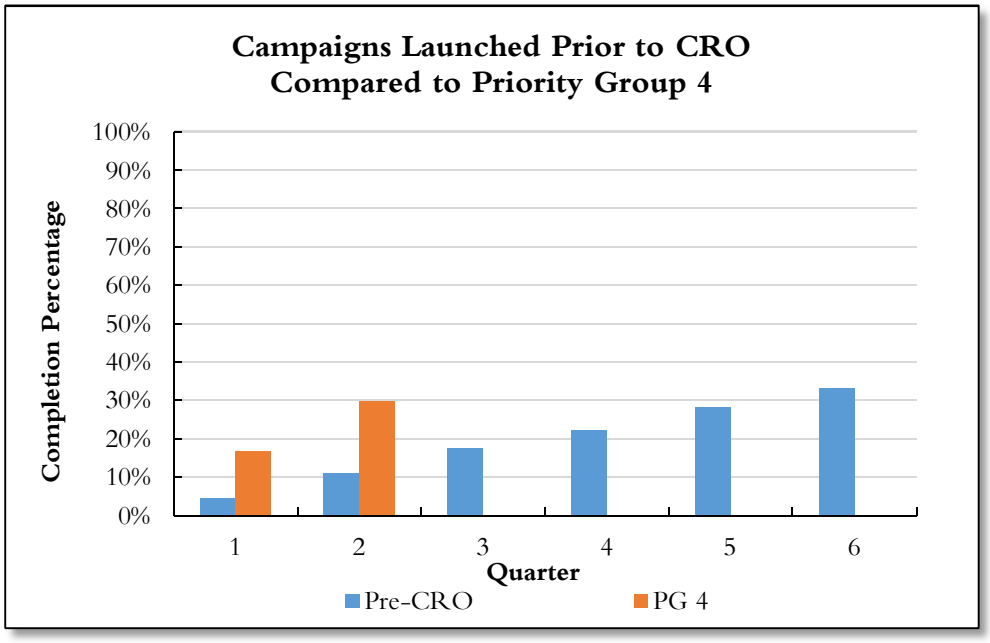
Figure 38: Completion Percentages by Affected Vehicle Manufacturers[25] for Priority Group 4[26]

Figure 39 provides a comparison of the completion percentages between the campaigns that existed at the time the CRO was issued, which used mainly infrequent, letter-only communication, with the campaigns launched under Priority Group 4, which benefitted from NHTSA's and the Monitor's recommendations and observations regarding effective communication techniques. The blue bars in Figure 39 represent campaigns that existed prior to the issuance of the CRO. As the figure illustrates, repairs of vehicles in Priority Group 4 are

[25] Certain affected vehicle manufacturers, including those with the two lowest completion percentages, have requested, and were recently granted, extensions for a portion or all of their vehicles in this priority group.

[26] Completion rates include likely out-of-transit vehicles.

triple the amount of repairs that existed for vehicles in Priority Groups 1 through 3 during analogous quarters after campaign launch.



Repairs for Priority Group 4 have tripled from the time period prior to the CRO.

Figure 39: Completion Percentages of Campaigns Launched Prior to the CRO Compared to Priority Group 4

Figure 40 provides a comparison of the completion percentages for all six quarters for campaigns that were active prior to the ACRO.[27] Under the CRO, first quarter completion percentages were comparable to those that existed prior to the CRO. After the ACRO was issued, quarterly completion percentages began to significantly exceed those prior to the CRO. Campaigns enacted under the ACRO have achieved in just two quarters what previously took more than five.

[27] While this comparison is limited to the first two quarters of Priority Group 4, there is a single example of a Priority Group 4 remedy launch that was made available a year in advance of the ACRO sufficient supply and remedy launch deadline of March 31, 2017, and, thus, has six quarters of completions to measure.

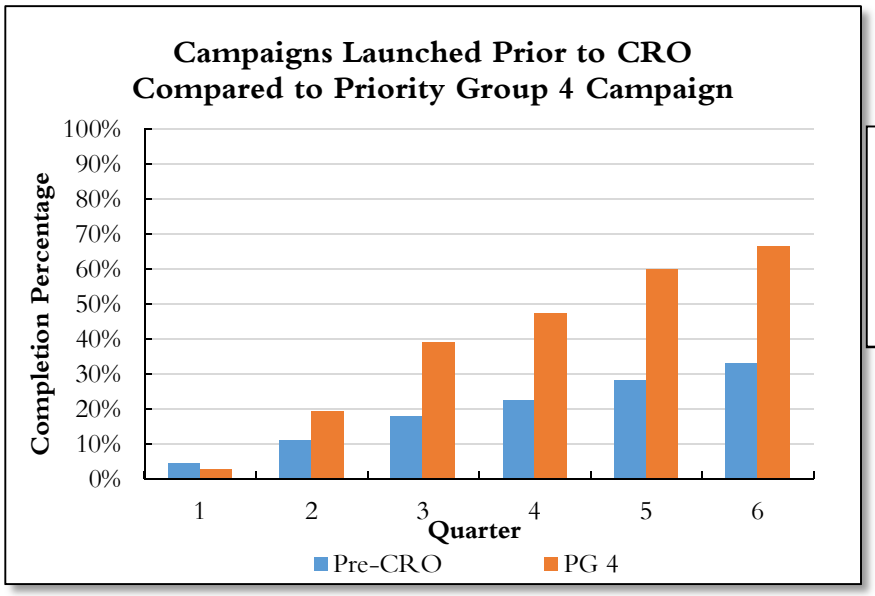


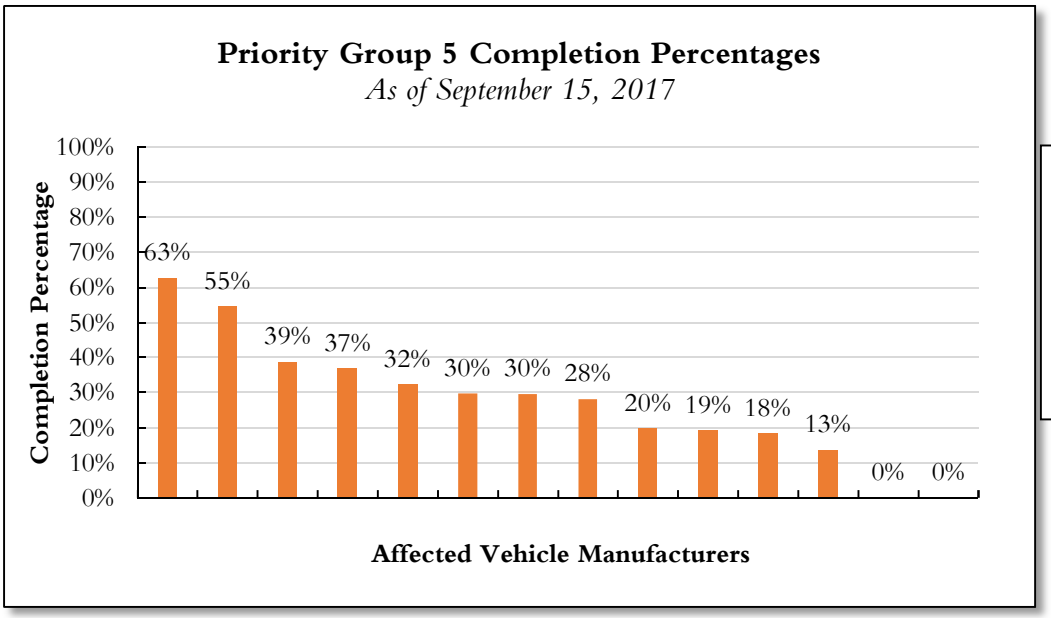
Figure 40: Completion Percentages of Campaigns Launched Prior to the CRO Compared to a Priority Group 4 Campaign[28]

It is important to note that while the completion percentages of Priority Groups 4 and 5 have significantly outpaced those observed from Priority Groups 1 through 3 over the same time periods, the rates of repair for Priority Groups 4 and 5 are slowing. It will be increasingly challenging for affected vehicle manufacturers to improve completion percentages to 60% and higher. Affected vehicle manufacturers must continue to analyze the barriers that persist even after vehicle owners have been exposed to current forms of outreach. Expansion of programs under development or being piloted by many affected vehicle manufacturers, including leveraging IRFs, offering mobile service, using more aggressive and clear multi-lingual communications strategies, targeting communications through social media, incentivizing dealers, contacting after-market sellers of vehicles and repairing vehicles at auctions, will improve completion percentages. For some owners, particularly of older vehicles, the only means of effective communication may be door-to-door interaction.

Figure 41 reflects completion performance for vehicles in Priority Group 5 as of September 15, 2017. Priority Group 5 campaigns were scheduled to launch on or before June 30, 2017. Affected vehicle manufacturers are required to design a plan to repair 15% of the vehicles in Priority Group 5 by September 30, 2017, and 40% by year-end. Most affected vehicle manufacturers in this Priority Group have met the initial milestone requirement and are on pace to meet the 40% milestone by year-end. This is a marked improvement from vehicles in Priority Groups 1 through 3, some of which took 18 months to reach 41% completion (see Figure 36), as compared to Priority Group 5, which is on pace to reach 40% in just two quarters. Figure 41 also

[28] While the original and expansion campaigns launched at different times, the launch of these campaigns can be normalized using quarterly intervals beginning at the time of launch. Priority Group 4 remedies had a sufficient supply and remedy launch deadline of March 31, 2017 and most remedies were launched at this time. Thus, a comparison can be made between the first two quarters of completion for Priority Group 4 and the CRO campaigns. The orange represents one affected vehicle manufacturer that launched its Priority Group 4 campaign early and thus has six quarters of data.

shows that half of the affected vehicle manufacturers were able to achieve repair rates of at least 30% within two quarters. Many of the affected vehicle manufacturers that did not reach a repair rate of 30% within two quarters were experiencing parts constraints.



Many affected vehicle manufacturers met their first completion milestones for vehicles in Priority Group 5 and some have already met their second completion milestones.

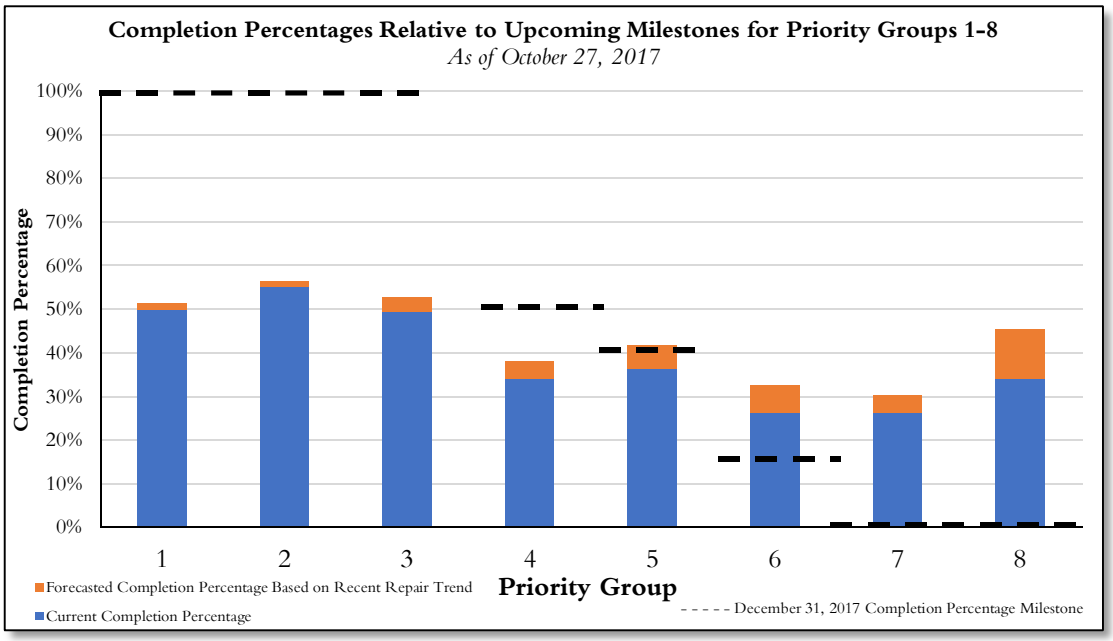
Figure 41: Recall Completion Percentages by Affected Vehicle Manufacturers for Priority Group 5[29]

In addition, the relatively high completion percentages shown in Figure 41 result in part from the fact that many campaigns in Priority Group 5 launched earlier than required under the Coordinated Remedy Program. Paragraph 34 of the ACRO permits an affected vehicle manufacturer to "further accelerate the launch of a Priority Group to begin the recall remedy campaign at an earlier date, provided that the vehicle manufacturer has a sufficient supply available to do so without negatively affecting supply for earlier Priority Groups" with approval from NHTSA. Building on this, Paragraph 35 of the ACRO states that "[a]n Affected Vehicle Manufacturer further accelerating a Priority Group under Paragraph 34 herein shall not be penalized for launching early, and shall be held to the standard of meeting the remedy completion timeline as though the recall remedy campaign launched on the date established [in Paragraph 34]." In short, if a vehicle manufacturer launches a campaign early, it receives the benefit of extra time to reach its quarterly completion percentage milestones. Early campaign launches will become more common as part supply expands.

Figure 42 shows completion rates for Priority Groups 1 through 8 relative to each group's respective December 31, 2017 milestone. The blue bars represent the actual completion percentages for each priority group as of October 27, 2017, while the orange bars represent each group's forecasted completion percentages by December 31, 2017 based on current completion rates. The horizontal dashed lines represent the December 31, 2017 milestone for each priority

[29] The three affected vehicle manufacturers shown here with the lowest completion percentages have requested, and were recently granted, extensions for a portion or all of their vehicles in this Priority Group.

group. As the figure illustrates, Priority Groups 1 through 3, which were launched well before the ACRO, are much further from reaching their respective December 31, 2017 milestones than Priority Groups 4 through 8, which launched after the ACRO. The figure also illustrates that Priority Groups 7 through 8, which are not scheduled to be launched until 2018, have launched early under the ACRO and seen robust completion percentages.



Priority Groups 4-8 are significantly closer to reaching their respective December 31, 2017 completion percentages than Priority Groups 1-3.

Figure 42: Completion Percentages Relative to December 31, 2017 Milestone for Priority Groups 1-8

VIII. OBSERVATIONS FOR FUTURE SUCCESS

The Monitor has observed a number of recall initiatives that have meaningfully improved various affected vehicle manufacturers' repair percentages.

A. Multi-touch, Multi-channel Communication

Some vehicle owners continue to lack awareness regarding the Takata recalls and the safety risks associated with these defective products. Few of those aware of the Takata recalls associate the defect with death and serious injury. To overcome these misperceptions, the Monitor's research to date indicates that communications regarding the recalls should be frequent and clearly written with a call to action. Many individuals surveyed or interviewed had previously received traditional recall notifications but disregarded them because they did not convey sufficient urgency. The Monitor's research shows that in cases of highly dangerous recalls, affected vehicle owners want to be notified with urgent, disruptive messages, repeated with great frequency in order to better ensure they become aware of the issue and understand its gravity. Several affected vehicle manufacturers have likewise advised the Monitor that one outreach attempt per month per vehicle is unlikely to be enough to motivate all owners to take action.

The Monitor's research also indicates that communications should be delivered frequently through multiple different channels or platforms that are integrated with consistent

branding and messaging, in order to increase the likelihood of reaching the affected vehicle owner and conveying an appropriate sense of urgency. The Monitor's research indicates that affected vehicle owners vary in terms of their preferred outreach method. Accordingly, there is no one medium that will be sufficient to reach the majority of affected vehicle owners. Furthermore, individuals interviewed expressed that receiving the same message through multiple different channels of communication, in and of itself, conveyed a sense of urgency that motivated them to take action. Outreach vendors used by the affected vehicle manufacturers have also indicated that weekly outreach across multiple channels, including phone calls, emails and postal mailings, is necessary to communicate properly with affected vehicle owners.

In sum, the Monitor's research indicates that it is not enough to rely on the traditional recall practice of sending vehicle owners a single letter or a few letters at infrequent intervals. Rather, affected vehicle manufacturers must actively attract owners' attention and persuade them to act using consistent messaging across multiple different channels of communication. This multi-channel, multi-touch approach reflects the fact that no single communication tactic alone is as effective as a combination of these tactics, and leverages the use of repeated notifications, in and of itself, to highlight the urgency of the situation in a way that isolated communications through a single medium cannot convey.

After consultation with NHTSA, the Monitor distilled its research findings and incorporated other observations regarding barriers to recall completions into a set of formal recommendations. The Monitor shared a series of Coordinated Communications Recommendations (the "CCRs") with the affected vehicle manufacturers on December 23, 2016.[30] The Coordinated Remedy Program incorporates these CCRs by reference.[31]

The CCRs reflect the importance of sending frequent, layered, multi-channel outreach which clearly describes the dangers of defective Takata airbag inflators and conveys a clear path to action. Specifically, the CCRs observe that:

- Affected vehicle manufacturers should use non-traditional means of outreach in addition to owner notification letters, including postcards, emails, phone calls, text messages and social media.

- Affected vehicle manufacturers should pursue multi-touch communication strategies to ensure that impacted vehicle owners receive at least one form of outreach per month until the affected vehicle is repaired.

- Vehicle owner contact information must be up-to-date, to ensure vehicle owners actually receive these outreach materials.

- Affected vehicle manufacturers should use clear, accurate and urgent messaging in order to convey the risk these defective airbag inflators pose.

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[30] Appendix F.

[31] ACRO ¶ 42, Appendix A.

- Affected vehicle manufacturers should proactively address potential consumer misunderstandings within their outreach efforts. For example, affected vehicle manufacturers should emphasize that recall repairs are free, and discuss the various services provided by dealers that make repairs more convenient, to encourage customers to respond to affected vehicle manufacturer outreach.

- Affected vehicle manufacturers should also ensure that they communicate to their dealers information regarding parts availability, services to make recall repairs more convenient and the importance of completing Takata recall repairs in order to avoid potential miscommunication between vehicle owners and dealers.

- Affected vehicle manufacturers should provide messaging that is credible and can be clearly distinguished from other generic solicitations to overcome distrust by vehicle owners of the communications. This can be done by tailoring the message with personalized information, such as the vehicle owner's name and/or vehicle make, and using official logos that lend authenticity to the communications, such as the U.S. Department of Transportation logo.

- Affected vehicle manufacturers should ensure that their communications are in both English and Spanish, and should include additional translations when appropriate.

- Affected vehicle manufacturers should use language that is simple and easy to understand, including by those with low literacy levels, as opposed to more technical terminology.

- Affected vehicle manufacturers should clearly convey that vehicle owners must take action to schedule a repair, and make scheduling these repairs as simple and accessible as possible.

While some affected vehicle manufacturers initially did not adopt these recommendations, most have since begun to implement them after hearing at the first two Takata Recalls Summits about the success of peers that embraced the recommendations. Figure 43 reflects the degrees to which various affected vehicle manufacturers have employed the CCRs. In the table, green connotes the greatest degree of adoption for each particular recommendation, while red connotes the lowest degree of adoption.[32] As the Figure demonstrates, affected vehicle manufacturers have implemented the different recommendations to varying degrees.

[32] Boxes labeled "N/A" connote that a few affected vehicle manufacturers with small recalled vehicle populations have not submitted supplemental communications of the specified type (*i.e.*, supplemental letter communications or emails) to the Monitor for review.

Figure 43: Affected Vehicle Manufacturers' Engagement with the CCRs

	Coordinated Communications Recommendation		Affected Vehicle Manufacturers													
1	Wherever possible, include in every communication an option for the recipient to notify you that the vehicle in question has been sold, transferred, or is otherwise being primarily driven by a party not residing at the same address as the recipient.															
2	Adopt an escalation strategy—including but not limited to the use of more graphic imagery—for particular vehicles for which parts are available and the consumer has received multiple forms of outreach, but the vehicle has nonetheless still not been repaired.															
3	Describe the risk associated with the defect using simple language that emphasizes the risk of injury or death to both drivers and passengers stemming from shrapnel in the event of a rupture (e.g., "In even a minor fender bender, the airbag inflator in your vehicle could rip apart and send shards of shrapnel toward you and your passengers. People have been killed and seriously injured by this defect.").															
4	Do not include information that is likely to mitigate the owner's perception of the risk (e.g., "No ruptures have been observed in [affected vehicle manufacturer's] vehicles to date.").															
5	Use bold text to highlight particularly impactful words (*e.g.*, "urgent", "kill").															
6	Include imagery that reinforces graphically the nature of the risk (such as the "shrapnel hazard icon" developed by and available from the Monitor).															
7	Avoid using generic or low-impact imagery (e.g., scenic pictures).															
8	In letter communications, include a red headline at or near the top of the letter, with prominently featured text, such as "Urgent Safety Recall".				N/A	N/A	N/A	N/A						N/A	N/A	N/A
9	In email communications, use the word "URGENT" in the subject line.			N/A	N/A	N/A	N/A	N/A		N/A		N/A		N/A	N/A	N/A
10	Emphasize throughout all communications that repairs are free; repairs can be performed by any affected vehicle manufacturer-authorized dealer regardless of where the vehicle was purchased; and the owner will not be charged for any other service or repair unless the owner requests it.															

	Coordinated Communications Recommendation		Affected Vehicle Manufacturers
11	Affirmatively recognize the inconvenience presented by the need to have the vehicle repaired, and prominently feature the details of all services you or your dealers provide that address owner inconvenience associated with the repair (e.g., towing, provision of loaner or rental cars and extended dealer service hours).		
12	Advise consumers that they may contact NHTSA with any questions or concerns regarding the recall at 1-888-327-4236.		
13	In letter and postcard communications, collect in a boxed area a series of bullet points with the most relevant information (e.g., that the vehicle is defective, that the repair is free, how to schedule a repair and the details of any services you provide to address owner inconvenience).		
14	Wherever possible, address communications using the vehicle owner's name (avoid "Dear Vehicle Owner" or "Dear Resident").		
15	Prominently display your logo as well as logos of the Department of Transportation and NHTSA, consistent with instructions provided by NHTSA.		
16	Include a picture of the actual vehicle at issue near the top of the communication, including such details as the vehicle's make, model, model year, color and trim package, and repeat these same details in the text of the communication.		
17	Ensure that all communications are in—at a minimum—both English and Spanish, and assess whether employing additional languages may be appropriate in light of the characteristics of your specific owner population.		
18	Avoid scientific or technical jargon (e.g., "the inflator could produce excessive internal pressure upon deployment").		
19	In written communications, a font size of at least 11 pt. is recommended to ensure that consumers can reasonably engage with the content.		
20	Prominently feature (and, wherever possible, repeat numerous times) the telephone number consumers should call to schedule a repair.		

The Monitor has observed that adoption of the CCRs has improved steadily since the issuance of the ACRO. Many of the affected vehicle manufacturers have increased their use of aggressive imagery, text and formatting to illustrate the risks the defect poses to drivers and passengers. More affected vehicle manufacturers are using simpler language to describe the defect and the simple steps to repair vehicles. Spanish language content is also being used more widely.

The Monitor has observed improvements in completion percentages and rates among affected vehicle manufacturers that use multi-touch, multi-channel outreach. Figure 44 illustrates a difference in completion percentages of more than eight percentage points between an affected vehicle manufacturer that most significantly engaged in multi-touch, multi-channel communications and an affected vehicle manufacturer that failed to meaningfully implement this recommendation.

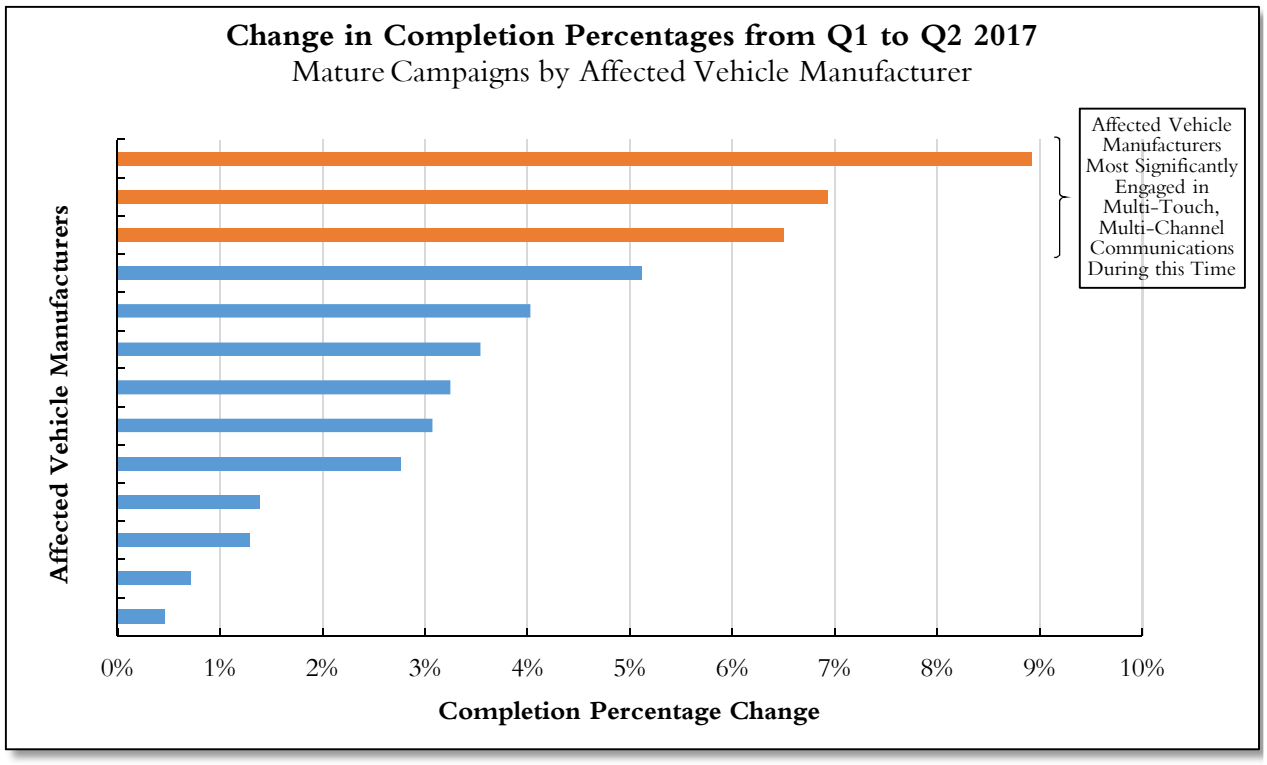


Figure 44: Affected Vehicle Manufacturers' Change in Completion Percentages from Q1 to Q2 2017

The impact of incorporating frequent, multi-channel outreach is even more pronounced when comparing vehicle owners that received such outreach to owners who did not. Figure 45 compares a campaign in which frequent, multi-channel outreach was used ("Comprehensive Outreach") to one in which only traditional letter outreach was used ("Simple Outreach"). The campaign using Comprehensive Outreach saw a significantly higher completion percentage each quarter than the campaign using Simple Outreach. This disparity between campaign performance rates increased over time, indicating that multi-channel, frequent outreach has an ongoing positive impact, even after six quarters of outreach activity.

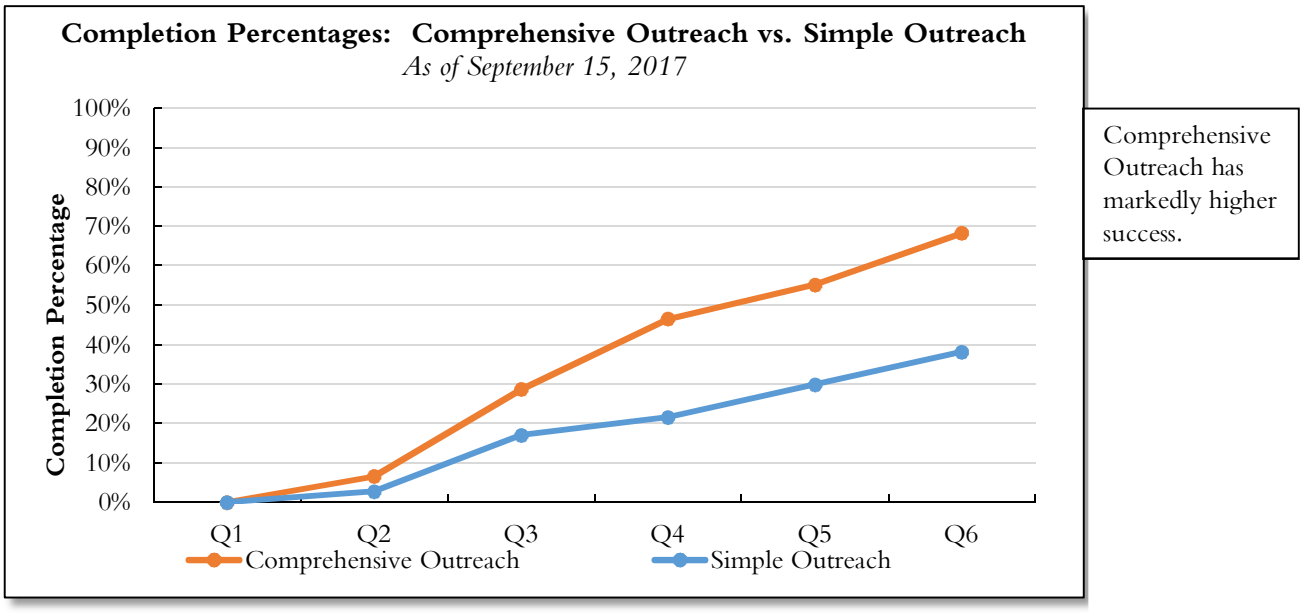


Figure 45: Completion Percentages: Comprehensive Outreach vs. Simple Outreach

Figure 46 similarly compares campaigns targeting similar model years of vehicles, but with varying degrees of outreach. As the figure illustrates, using frequent, multi-touch and multi-channel outreach ("Comprehensive Outreach") results in a marked improvement in completion percentages relative to campaigns using traditional, infrequent outreach ("Simple Outreach"), even after just five months. Those vehicle manufacturers using Comprehensive Outreach saw completion percentages nearly twice as high as rates for vehicle manufacturers using Simple Outreach, when targeting similarly situated vehicles over the same period of time. After only five months of divergent communications methods, vehicle manufacturers employing Comprehensive Outreach had completion percentages over 35 percentage points higher than vehicle manufacturers employing Simple Outreach.

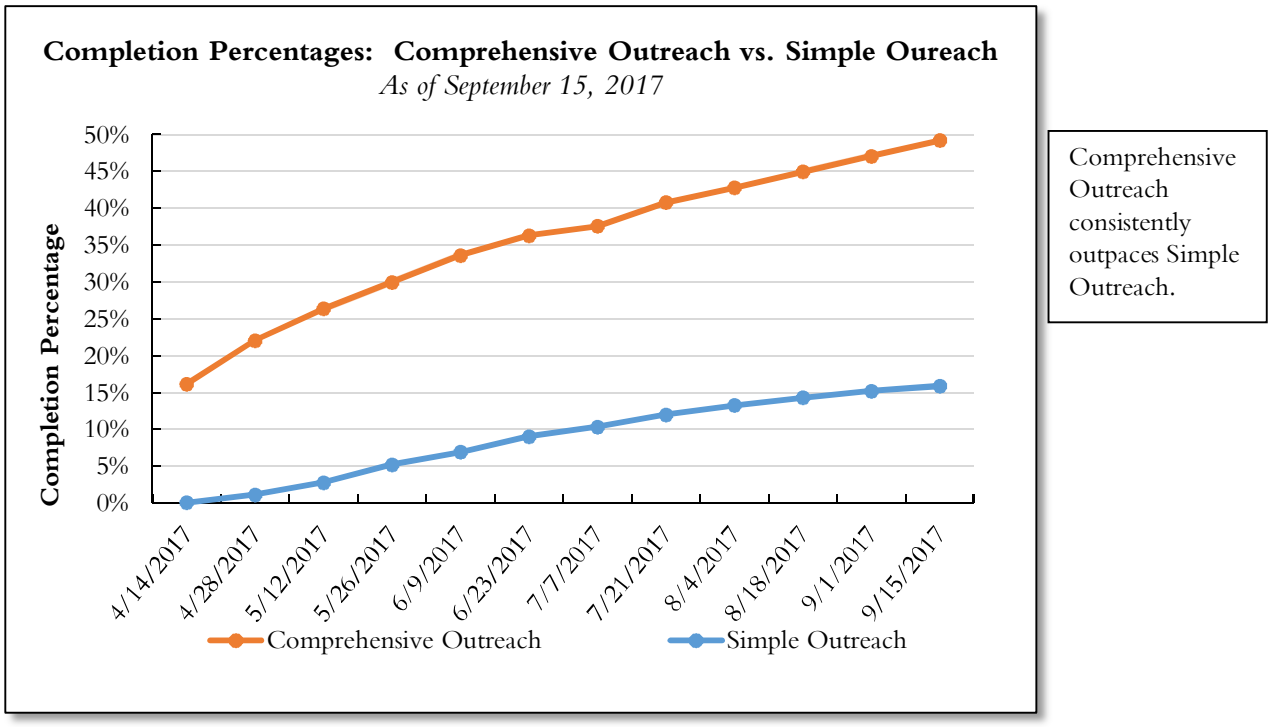
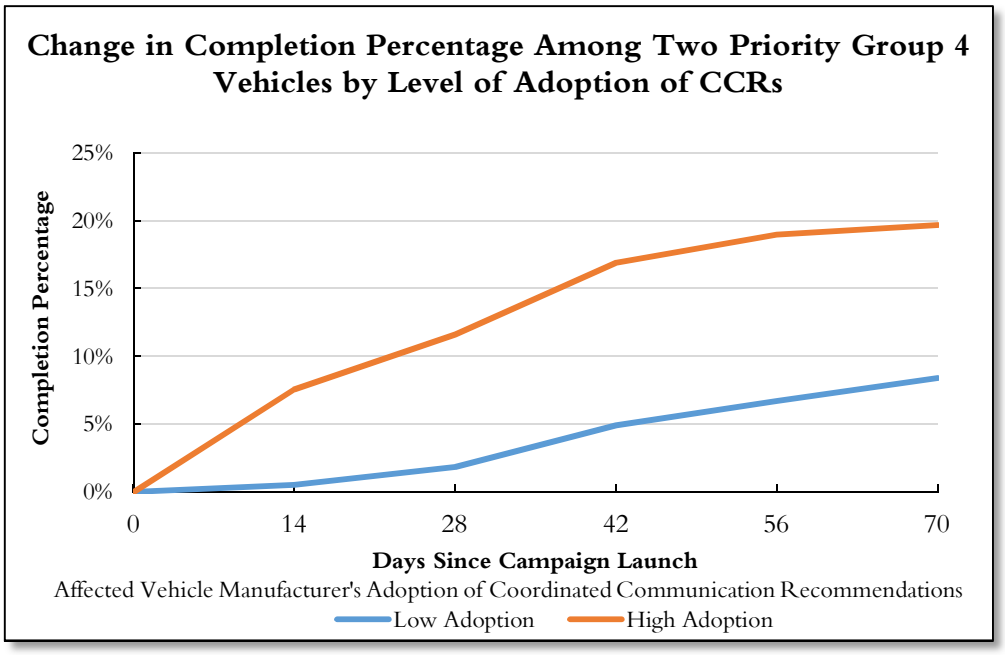


Figure 46: Completion Percentages: Comprehensive Outreach vs. Simple Outreach[33]

The Monitor has observed similar trends when affected vehicle manufacturers' outreach activity is viewed through the lenses of compliance with discrete elements of the CCRs, as affected vehicle manufacturers that have most embraced the highest number of CCR elements have seen marked improvements in completion percentages. Figure 47 illustrates the variations in completion percentages among affected vehicle manufacturers based on the degree to which they have adopted the CCRs. In this figure, the orange line demonstrates the completion percentage in the first 10 weeks of repair activity for Priority Group 4 vehicles for an affected vehicle manufacturer that has adopted many of the elements of the CCRs, while the blue line demonstrates the same for an affected vehicle manufacturer that has not embraced many of the elements of the CCRs. For each vehicle manufacturer, part supply was sufficient at the time of launch.

[33] April 14, 2017 is when the Simple Outreach campaign began reporting data.



The benefit of adopting the CCRs is evident immediately upon recall campaign launch.

Figure 47: Change in Completion Percentage Among Two Priority Group 4 Vehicles by Level of Adoption of CCRs

Figure 48 shows a similar trend among affected vehicle manufacturers' recall efforts for Priority Group 5 vehicles. The orange line demonstrates the completion percentage in the first 10 weeks of repair activity for Priority Group 5 vehicles for an affected vehicle manufacturer that has adopted many elements of the CCRs, while the blue line demonstrates the same for an affected vehicle manufacturer that has not embraced many elements of the CCRs. As was observed among Priority Group 4 completion percentages, affected vehicle manufacturers who had adopted many elements of the CCRs had recall completion percentages doubling those of affected vehicle manufacturers that did not adopt many elements of the CCRs.

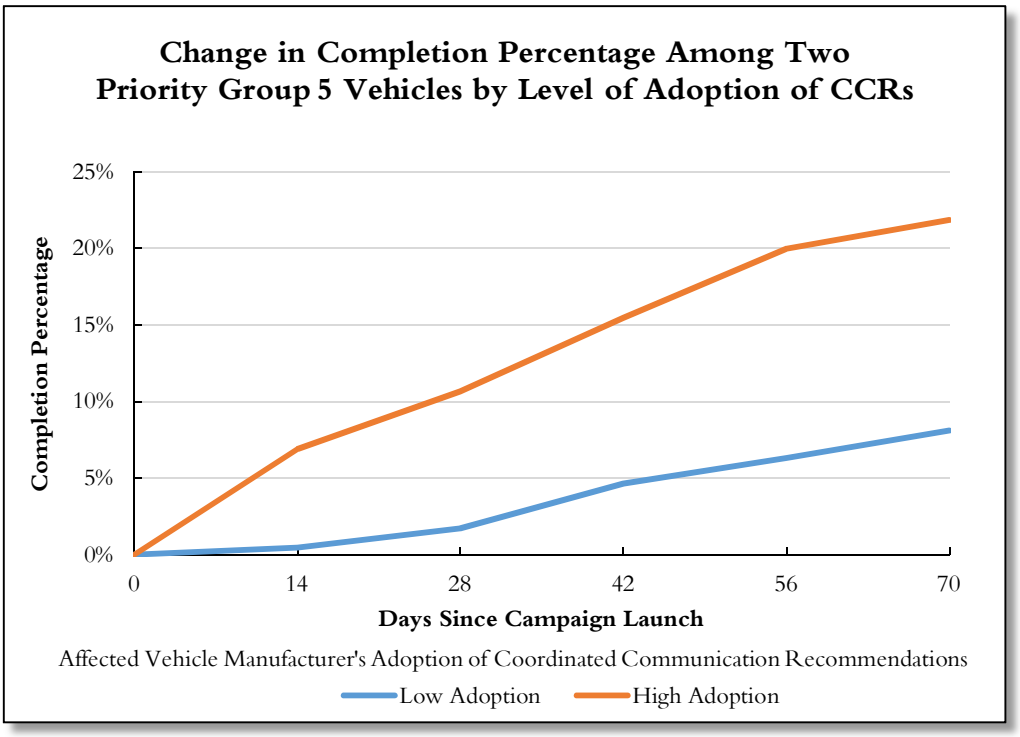


Figure 48: Change in Completion Percentage Among Two Priority Group 5 Vehicles by Level of Adoption of CCRs

There is still room for improvement. Many affected vehicle manufacturers do not yet personalize communications to recipients (by, for example, including a picture of the actual vehicle model, make, trim or color of the targeted vehicle) and messaging can in many instances be further clarified and simplified. Services available to minimize the inconvenience associated with the repairs can also be better highlighted in many instances.[34]

B. Adherence to Monitor Recommendations

The Monitor has also observed that affected vehicle manufacturers who most engage with the Monitor's other formal recommendations have seen marked improvements in completion percentages and rates.

[34] In addition to the CCRs, Paragraph 42 of the ACRO also provides affected vehicle manufacturers with the ability to submit to NHTSA and the Monitor proposals for "alternative messaging, imaging, formats, technologies, or communications strategies, with any supporting data, analysis, and rationales" related to any proposed variation in communication from the CCRs. To date, none of the affected vehicle manufacturers has submitted any such proposals.

Figure 49 below summarizes affected vehicle manufacturers' adherence to the Monitor's recommendations, with green indicating the highest degree of adoption, yellow indicating an intermediary degree of adoption and red indicating low or no adoption.

Consumer Outreach	Dealer Relations	Private Sector Engagement	Salvage Recovery	CCR
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A

Figure 49: Summary of Affected Vehicle Manufacturer Compliance with the Monitor's Recommendations[35]

Figure 50 sets forth the change in completion percentage for affected vehicle manufacturers with similarly situated populations of Priority Group 1 through 3 vehicles over the last six months. As this figure indicates, affected vehicle manufacturers that have most embraced the Monitor's recommendations have realized the greatest increases in completion percentages for these vehicles during this time. Conversely, affected vehicle manufacturers that have not

[35] The four affected vehicle manufacturers listed as N/A are luxury vehicle manufacturers with a very limited pool of recall vehicles.

embraced the Monitor's recommendations have recognized the smallest increases in completion percentages during this time.

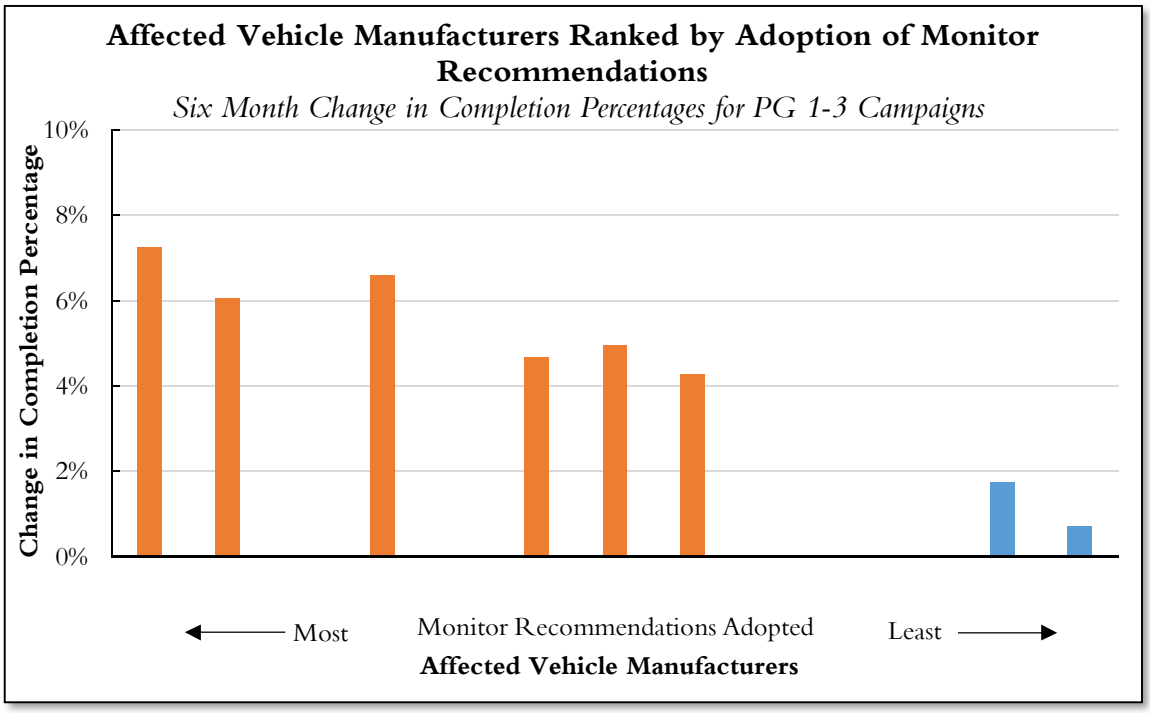


Figure 50: Change in Completion Percentages by Level of Adoption of Monitor Recommendations

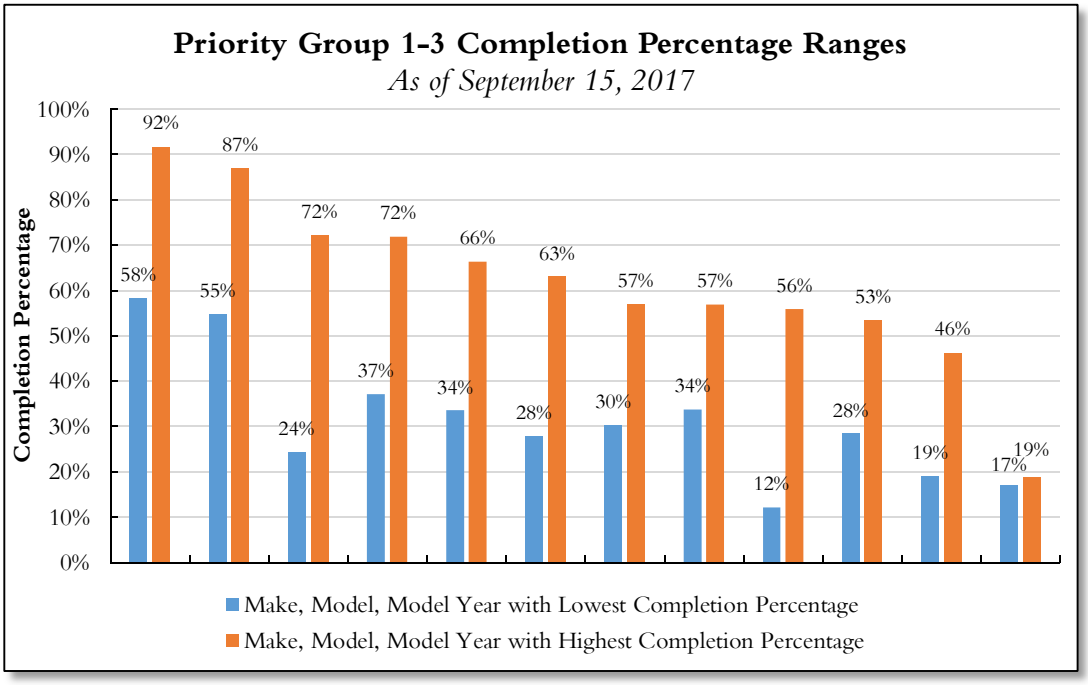
C. Segmented Analysis

The Coordinated Remedy Program aims to ensure that all owners of vehicles with defective Takata airbags have their vehicles repaired. Ultimately, this requires affected vehicle manufacturers to locate and effectively communicate with owners of recalled vehicles to bring these vehicles into dealerships to be repaired. A nuanced understanding of who the owners of recalled vehicles are, and what will motivate them to act, is crucial to accomplishing this task.

The significant diversity among recalled vehicles, described above in Section IV, creates a corresponding diversity among unrepaired vehicle owners. Owners of these unrepaired vehicles generally differ demographically and in terms of socioeconomic status, with some vehicle owners having higher incomes, higher literacy levels or more alternative methods of transportation at their disposal should they need to leave their vehicle with a dealership for a day. Many unrepaired vehicle owners are not native English speakers and thus may not understand communications in English. Each of these factors influence the kinds of communications, outreach and service offerings that would be required to ensure these vehicle owners understand they have an open recall on their vehicle and to determine how best to motivate them to bring their vehicle in for a repair.

Figure 51 shows the completion percentages for each affected vehicle manufacturer's highest and lowest performing vehicles in Priority Group 1 through 3. Each bar

corresponds to a particular subset of vehicles, distinguished by vehicle make, model and model year. As this figure illustrates, an individual affected vehicle manufacturer may use the same outreach methods and recall strategy with its entire population of unrepaired vehicle owners and receive vastly different responses based on make and model of vehicle. A recall strategy that generates a 72% completion percentage among one subset of vehicle owners may only generate a 24% completion percentage among another subset of vehicle owners.



Owners of different kinds of vehicles respond differently to the same recall strategies.

Figure 51: Completion Percentages For Highest and Lowest Performing Vehicle Subsets by Affected Vehicle Manufacturer

For this reason, affected vehicle manufacturers should segment their unrepaired vehicle owner population based on these various attributes and assess what types of outreach are most effective for each sub-population of vehicle owners.

Even recently, many affected vehicle manufacturers did not distinguish between different subsets of unrepaired vehicle owners. Instead, they used the same methods and materials to attempt to communicate with all unrepaired vehicle owners, regardless of their language preferences, education levels, proximity to dealers or ability to be without their vehicle for the length of the repair. Similarly, many vehicle manufacturers did not target where and when they would offer certain services, such as mobile repair centers or free rides to and from dealerships, based on the demographic and socioeconomic characteristics of different subpopulations. Instead, their recall efforts were based on an assumption that all vehicle owners would respond similarly to the service offerings and outreach tactics they employed.

To address this issue, the Monitor made various formal and informal recommendations to affected vehicle manufacturers, emphasizing the need to segment their populations of unrepaired vehicle owners and employ different strategies based on the needs of these respective subgroups. In December 2016, the Monitor issued its Coordinated Communications Recommendations, described in further detail in Section VI, which identified

the need to "[t]ailor communications to the individual owner and vehicle at issue" and "[e]nsure that [] messaging is accessible to owners with limited reading or English skills". In spring 2017, the Monitor created a tool using a data visualization and business intelligence platform, discussed in Section VI—in which the Monitor creates color-coded maps displaying the kind of population segmentation vehicle manufacturers should consider to best understand their unrepaired vehicle owner population. The Monitor regularly reviews this data visualization tool and advises affected vehicle manufacturers regarding how they can use these segmentation maps and analysis techniques in formulating their recall strategies.

Though several affected vehicle manufacturers have started to meaningfully to study and try to understand the different segments of their unrepaired vehicle populations, most affected vehicle manufacturers continue to treat all unrepaired vehicle owners uniformly.

D. Strategic Forecasting

The Takata recalls require affected vehicle manufacturers to think strategically rather than reactively. Given the sheer size of the unrecalled vehicle population, the diversity among recalled vehicles and the national scope, it is important that affected vehicle manufacturers measure the success of the different initiatives and tactics they employ in executing their recall plans. Strategic forecasting is crucial to avoid wasting time and resources on ineffective methods and instead focus on proven, efficient recall tactics.

To this end, the Coordinated Remedy Program requires affected vehicle manufacturers to execute their recall remedy programs in a manner designed to complete a specific percentage of recall repairs by certain dates set out in the Coordinated Remedy Orders. To help affected vehicle manufacturers meet these requirements, the Coordinated Remedy Program also requires each affected vehicle manufacturer to submit written plans each quarter describing how it will reach these completion milestones. In April 2016, the Monitor issued formal recommendations emphasizing the need to "[i]mplement procedures to measure the success of customer outreach strategies by tracking associated VINs or other identifying information".[36]

While some affected vehicle manufacturers have made meaningful progress in measuring the success of different recall initiatives and making forecasts based on such information, many have yet to implement this recommendation. Nonetheless, affected vehicle manufacturers are demonstrating an increased awareness and understanding of the need to strategically forecast completion percentages and are attempting to plan strategically and measure their progress proactively.

[36] Appendix D.

E. Engaging Dealers

The Coordinated Remedy Program necessarily requires dealers to complete the recall repairs required under the Program. Accordingly, engaging with dealers is crucial to the Takata recalls.

However, some affected vehicle manufacturers do not actively provide their dealers with the training or materials needed to conduct recall outreach, motivate their dealers to notify vehicle owners of open Takata recalls or incentivize their dealers to dedicate time or resources to Takata recalls. Additionally, many affected vehicle manufacturers do not measure dealer recall performance. Given the crucial role of dealers in the repair process, measurements of dealer productivity can aid significantly in ensuring recall repairs are completed on a timely basis.

Affected vehicle manufacturers should also customize their approaches to different individual dealers. Dealers across the country have different capabilities, resources, numbers of affected vehicles in their area, numbers of service bays in which to conduct repairs and numbers of trained repair technicians. Accordingly, when developing strategies to engage dealers, affected vehicle manufacturers should develop solutions that accommodate this diversity of requirements and resources. Large, sophisticated dealers may require data be provided in specific formats so that it can be integrated with their business development centers. Smaller dealers, on the other hand, may need additional support from the affected vehicle manufacturer in order to complete proactive outreach. Based on dealer size, capacity and affected vehicle population goals, incentives may need to be customized to the capabilities of the dealer.

On July 15, 2016, the Monitor submitted a set of recommendations regarding relationships with dealers and strategies for leveraging the resources dealers offer.[37] These recommendations were developed based on the Monitor's meetings with various affected vehicle manufacturers' dealers across the HAH region. These recommendations urge the affected vehicle manufacturers to proactively engage and motivate dealers by, for example, ensuring dealer recognition and accountability, expanding dealer reimbursement policies, evaluating technician training requirements and hosting dealer best practices roundtables. In addition, the recommendations aim to ensure that affected vehicle manufacturers provide dealers with sufficient information and educational literature to adequately inform consumers of the Takata recalls and carry out recall repairs. The recommendations also urge affected vehicle manufacturers to provide dealers with customer data and messaging to use in recall outreach.

Figure 52 displays the success affected vehicle manufacturers have had when they engage dealers. In the figure, the blue line represents the bi-weekly repair rate of an affected vehicle manufacturer that began engaging its dealer network in early August 2017. This affected vehicle manufacturer used a number of tactics to incentivize its dealers to prioritize Takata recall repair and engage in recall outreach, including providing lists of affected vehicle owners in each dealers' respective area, measuring the repairs of each dealer and even going on a roadshow to visit its various field offices in August 2017. As this figure illustrates, a significant increase in the

[37] Appendix E.

manufacturer's repair rate followed these engagements—more than doubling in less than two months.

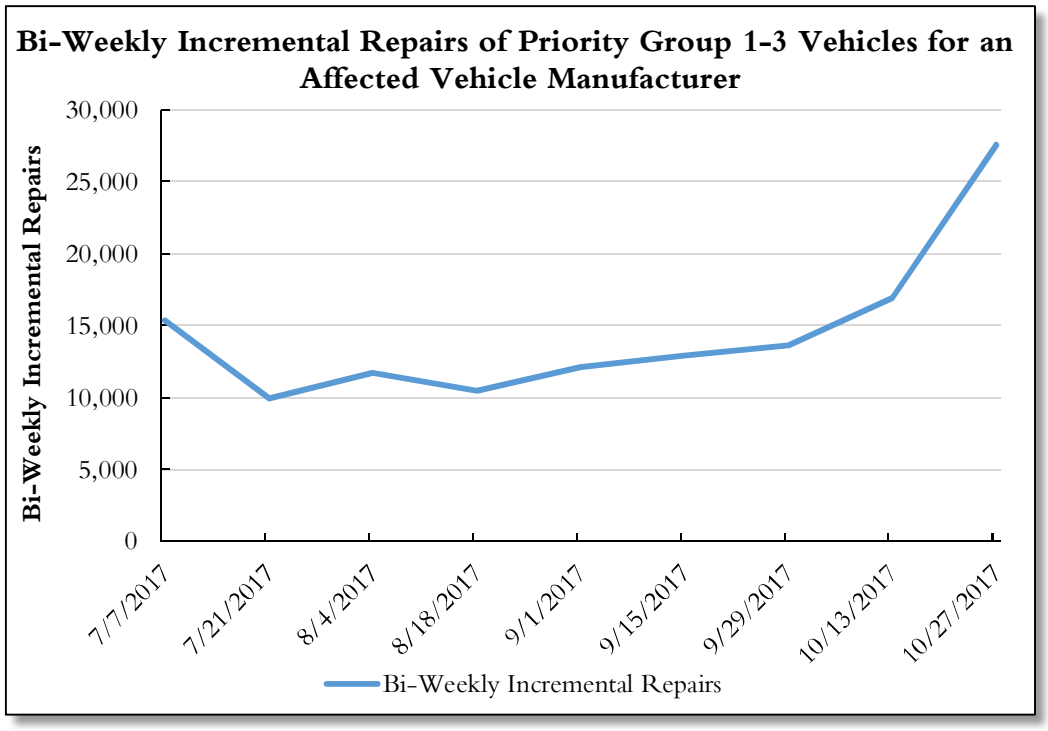


Figure 52: Bi-Weekly Incremental Repairs of Priority Group 1-3 Vehicles for an Affected Vehicle Manufacturer

F. Engaging IRFs

IRFs provide another important opportunity for connecting with vehicle owners, notifying them of open recalls and assisting them with completing the required repairs. To effectively engage with IRFs, affected vehicle manufacturers must be able to communicate with IRF technicians consistently and share necessary information.

Figure 53 illustrates the progress one affected vehicle manufacturer has made by engaging with IRFs—a practice it initiated in October 2016. As part of this engagement, the affected vehicle manufacturer developed a software system for providing IRF technicians with information that permits them to determine whether particular vehicles have open Takata recalls. Ready access to this information enables service technicians to notify vehicle owners that they need to have their vehicles repaired and work with them to schedule their repair appointments.

In this figure, the blue bars indicate the number of vehicles with open Takata recalls for this affected vehicle manufacturer that have been searched at IRFs who use this software. The orange bar indicates the number of those searched that were later repaired. As the affected vehicle manufacturer continues to engage with the IRFs to notify affected vehicle owners of open recalls, the amount of repairs it is able to complete steadily increases. From July through September 2017, this affected vehicle manufacturer was able to achieve an average monthly repair rate of over 5,000 vehicles by leveraging IRFs. Affected vehicle manufacturers like this one are now considering how to further incentivize IRFs to work with affected vehicle owners to schedule and complete repairs.

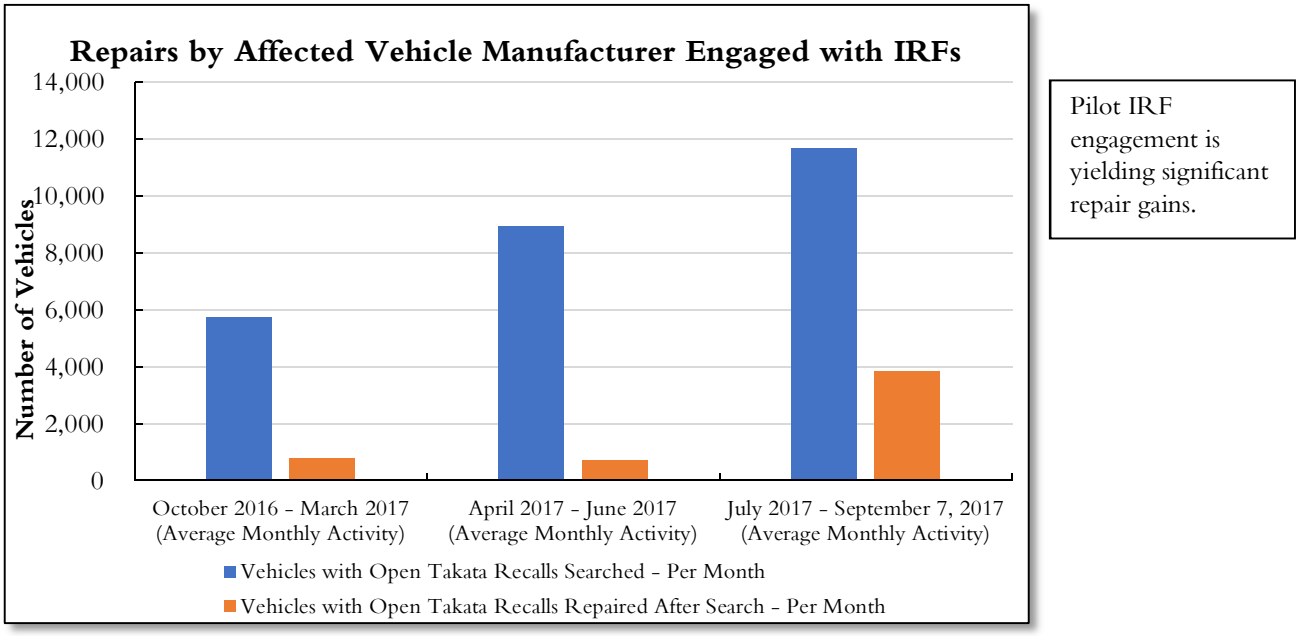


Figure 53: Repairs by an Affected Vehicle Manufacturer Engaged with IRFs

G. Scale and Resources

While many vehicle manufacturers have implemented innovative, groundbreaking pilots—such as mobile service, messaging customers through IRFs, dealer pilots and vehicle owner surveys/focus groups—the bulk of these new approaches have been deployed at local or regional levels. In order to adequately address the scale of the Takata recalls, affected vehicle manufacturers must transition to national strategies once they observe that a particular initiative is effective. Scaling requires significant forethought, logistical planning and resource dedication to ensure the national initiative is effective and efficient.

H. Cross-Functional Internal Expertise and Experience

Recall teams must possess diverse skill sets and employ individuals with expertise in different disciplines, including information technology, marketing and data analysis. Affected vehicle manufacturers generally have these resources at their disposal but in the past did not use them to inform their recall engagement strategy. Based on feedback from NHTSA and the Monitor, many of the affected vehicle manufacturers have begun to use personnel with more

diverse skill sets and experience and expertise in an effort to develop sophisticated solutions and strategies to accelerate recall completion.

I. Canvassing

Cumulative completion percentages generally stagnate over time because vehicle owners motivated by outreach have already contributed to the repair rate at an earlier stage. Even with the wide variety of outreach methods deployed by affected vehicle manufacturers, certain owners—particularly those of older vehicles—will continue to face challenges in understanding the severity of the defect, the actions they can take and the availability of resources to overcome inconvenience.

The Monitor has observed that in-person canvassing of these owners can serve to both cure these information gaps and effectively motivate these owners to have their vehicle repaired.

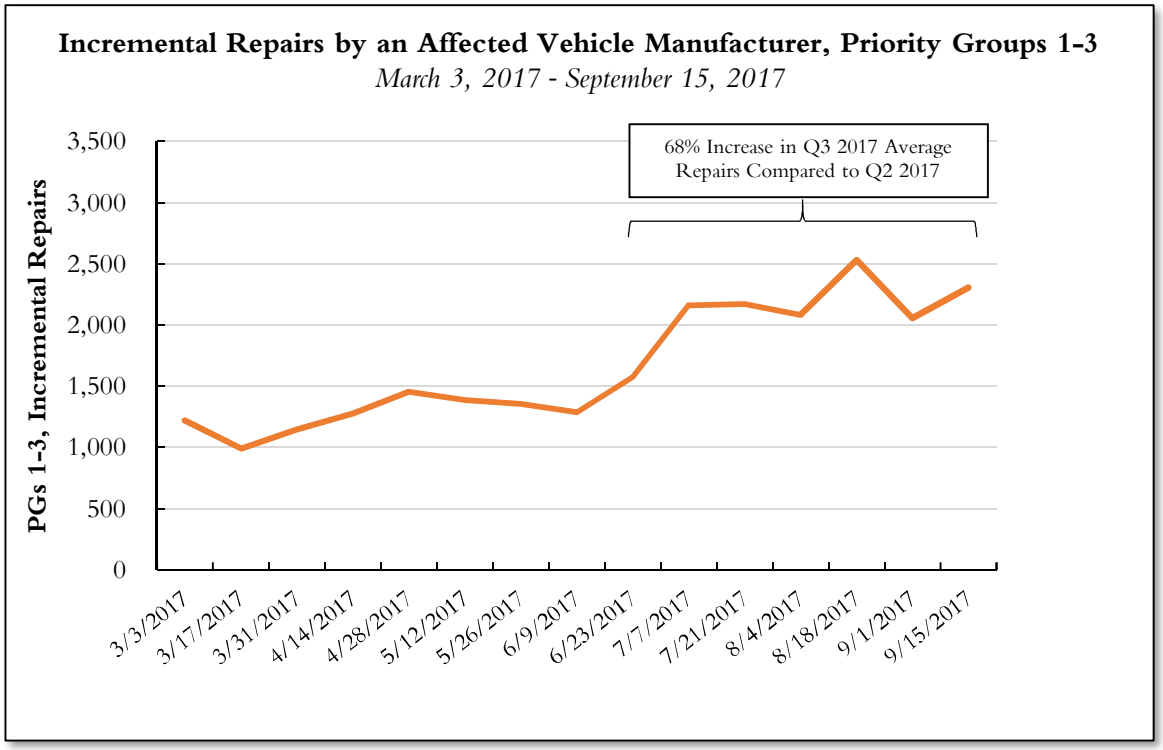


Figure 54: Incremental Repairs by an Affected Vehicle Manufacturer for Priority Groups 1-3[38]

The population of vehicle owners depicted in Figure 54 received several different communications, including many of the innovative approaches recently deployed by other vehicle

[38] The population measured by the orange line excludes incremental canvassing-related repair counts for Houston and Dallas, Texas, as those populations were being canvassed by the Monitor during this period separately from the affected vehicle manufacturer.

manufacturers, resulting in relatively high completion percentages. Despite this success, some of these vehicle owners have not been motivated to repair their vehicles. In early 2017, this vehicle manufacturer implemented a canvassing initiative, which scaled gradually from February to May 2017 and then more rapidly from June to August 2017 to become a national canvass in September 2017. Despite the challenges typically associated with repairing older vehicles, this affected vehicle manufacturer's canvassing initiative has already begun to see significant success in repairing these difficult-to-reach vehicles.

In Figure 54, the orange line measures repairs of the manufacturer's Priority Group 1 through 3 vehicles that were canvassed. These vehicles had been under recall for a significant period of time. Modest canvassing activities began in January to February 2017 and expanded significantly in August to October 2017. As Figure 54 illustrates, where vehicle owners had been canvassed, bi-weekly incremental repairs increased by 68% from the previous quarter's average repair rate. The average amount of repairs completed every two weeks (*i.e.*, the pace at which repairs were made as measured bi-weekly) increased over eight times for vehicle owners that were canvassed.

As this example illustrates, it may be that for certain vehicle owners, individuals will need to visit the homes of the owners in order to more fully explain the risks of the defective airbag inflators and assist in scheduling an appointment and arranging alternative transportation. In other cases, visiting a vehicle owner's address in person may reveal that the contact information used to conduct previous outreach was inaccurate.

J. Summary of Monitor's Observations for Success

The observations detailed in this section all have the potential to contribute to an effective vehicle outreach strategy and assist affected vehicle manufacturers with successfully completing repairs. A summary of the Monitor's observations for future success is set forth in Figure 55.

Figure 55: Summary of Monitor's Observations for Success

Observation for Success	Implementation
Coordinated Communications	The Monitor issued formal Coordinated Communications Recommendations based on research and analysis that emphasize the importance of sending frequent, multi-channel outreach that clearly describes the dangers of defective Takata airbag inflators and conveys a clear path to action.
Segmented Analysis	The Monitor issued formal and informal recommendations to affected vehicle manufacturers to segment unrepaired vehicle owner populations and employ different strategies based on the needs of each respective segment.
Strategic Forecasting	The Monitor issued formal recommendations to affected vehicle manufacturers to measure the success of the different initiatives and tactics they employ in executing their recall plans, so they can avoid expending time and resources on ineffective methods and instead dedicate their resources to proven, efficient recall tactics.
Engaging Dealers and IRFs	The Monitor issued formal recommendations urging affected vehicle manufacturers to engage and motivate dealers, including measures to ensure dealer recognition and accountability, expand dealer reimbursement policies, evaluate technician training requirements and host dealer best practices roundtables.
Scale and Resources	Affected vehicle manufacturers should transition from local to national strategies once they observe that a particular initiative is effective. In doing so, affected vehicle manufacturers must plan strategically, dedicating significant forethought, logistical planning and resources to ensure the national initiative is effective and efficient.
Cross-functional Expertise	In an effort to develop more sophisticated solutions and strategies to accelerate recall completion, the Monitor and NHTSA have made recommendations to affected vehicle manufacturers advising them to use personnel with more diverse skill sets, experience and expertise.
Canvassing	Affected vehicle manufacturers should undertake door-to-door canvassing initiatives later in recall campaigns to proactively encourage vehicle owners to schedule repairs, verify their contact information and understand in greater detail the barriers vehicle owners face in completing repairs.
Enhanced Outreach Based on Risk	Affected vehicle manufacturers should address the heightened risk posed by certain inflator types with enhanced outreach strategies, including canvassing and multi-touch, multi-node communications that are tailored to affected vehicle owners.

IX. CONCLUSION

While there remains much room for improvement in the Takata recalls, affected vehicle manufacturers are beginning, on an industry-wide basis, to make meaningful progress toward developing sound strategic approaches. Affected vehicle manufacturers are more readily exploring multi-touch, layered communications, mobile repair, engagement of third parties such as independent repair facilities and door-to-door canvassing in order to remove defective inflators from U.S. roadways. Through collaboration between affected vehicle manufacturers, NHTSA and the Monitor, the response to the Takata recalls is being transformed.

Appendix A

The Independent Monitor of Takata and the Coordinated Remedy Program

Third Amendment to the Coordinated Remedy Order, dated December 9, 2016

UNITED STATES DEPARTMENT OF TRANSPORTATION
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION
1200 New Jersey Avenue SE
Washington D.C. 20590

In re:	)
	)
Docket No. NHTSA-2015-0055	)
Coordinated Remedy Program Proceeding	)
	)
	)

THIRD AMENDMENT TO THE COORDINATED REMEDY ORDER

This Amendment to the Coordinated Remedy Order ("Amendment") is issued by the Administrator of the National Highway Traffic Safety Administration ("NHTSA"), an operating administration of the U.S. Department of Transportation. Pursuant to NHTSA's authority under the National Traffic and Motor Vehicle Safety Act of 1966, as amended and recodified (the "Safety Act"), 49 U.S.C. § 30101, *et seq*., and specifically, 49 U.S.C. §§ 30118-30120, 30120(a)(1), 30120(c)(2)-(3), 30166(b), 30166(c), 30166(e), 30166(g)(1), and 49 CFR §§ 573.6, 573.14, this Amendment modifies the Coordinated Remedy Order issued on November 3, 2015 ("CRO") to add newly affected vehicle manufacturers[1] (the "Expansion Vehicle Manufacturers") to the Coordinated Remedy Program and to set forth additional requirements and obligations of the affected vehicle manufacturers (the "Affected Vehicle Manufacturers")[2] and TK Holdings,

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[1] Including Ferrari North America, Inc. ("Ferrari"), Jaguar Land Rover North America, LLC ("Jaguar-Land Rover"), McLaren Automotive, Ltd. ("McLaren"), Mercedes-Benz US, LCC ("Mercedes-Benz"), Tesla Motors, Inc. ("Tesla"), Volkswagen Group of America, Inc. ("Volkswagen"), and, per Memorandum of Understanding dated September 16, 2016, Karma Automotive on behalf of certain Fisker vehicles ("Karma").

[2] Including, in addition to the Expansion Vehicle Manufacturers, the previously included companies, or "Original Affected Manufacturers": BMW of North America, LLC ("BMW"), FCA US, LLC ("FCA") (formerly Chrysler), Daimler Trucks North America, LLC ("Daimler Trucks"), Daimler Vans USA, LLC ("Daimler Vans"), Ford Motor Company ("Ford"), General Motors, LLC ("GM"), American Honda Motor Company ("Honda"), Mazda North American Operations ("Mazda"), Mitsubishi Motors North America, Inc. ("Mitsubishi"), Nissan North

Inc., ("Takata") in connection with the recall and remedy of certain types of Takata air bag inflators. The CRO, including all facts, findings, terms, and prior amendments[3], is hereby incorporated by reference as if fully set forth herein.

I. NATURE OF THE MATTER AND FINDINGS.

1. On November 3, 2015, upon the conclusion of the Coordinated Remedy Program Proceeding and closing of public Docket Number NHTSA-2015-0055 (addressing the recalls of certain Takata air bag inflators), NHTSA issued a Consent Order to Takata on November 3, 2015 ("November 2015 Consent Order") and the CRO. *See Coordinated Remedy Order with Annex A*, 80 FED. REG. 70866 (Nov. 16, 2015).

2. Since that time, NHTSA has continued its investigation into the Takata air bag inflator ruptures (EA15-001) and has been implementing and overseeing the Coordinated Remedy Program. As part of the ongoing investigation NHTSA has, among other things, received briefings from three independent research organizations,[4] each of which had undertaken scientific evaluations of Takata's frontal air bag inflators containing non-desiccated phase-stabilized ammonium nitrate ("PSAN"). *See* Amendment to November 3, 2015 Consent Order, EA15-001 Air Bag Inflator Rupture (May 4, 2016) ("Amended Consent Order"). NHTSA staff evaluated the research and also consulted with the Agency's independent expert on the various researchers' findings. *See id.* (including Expert Report of Harold R. Blomquist, Ph.D. as Exhibit A). Based upon the scientific analyses and data obtained from the researchers

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America, Inc. ("Nissan"), Subaru of America, Inc. ("Subaru"), and Toyota Motor Engineering and Manufacturing ("Toyota").

[3] Amendments were issued granting extensions of time to BMW on March 15, 2016, and to GM, Daimler Vans, and Ford on September 29, 2016. These amendments are publicly available at: http://www.safercar.gov/rs/takata/takata-docs.html.

[4] Exponent, Inc., Fraunhofer ICT, and Orbital ATK.

and additional data from Takata, on May 4, 2016, NHTSA issued, with Takata's agreement, the Amended Consent Order, which, among other things, established a phased schedule for the future recall of all Takata frontal inflators containing non-desiccated PSAN by December 31, 2019.

3. The number of Takata air bag inflators currently recalled, or scheduled for recall, has increased since November 3, 2015, from approximately 23 million to approximately 61 million[5] and the number of affected vehicle manufacturers has grown from 12 to 19. The size of these recalls, ages of vehicles affected, nature of the defect, and associated communications and outreach challenges, as well as remedy part and alternative part supply challenges, lends unprecedented complexity to the recall and remedy process. Given the potential severity of the harm to vehicle occupants when an inflator rupture occurs and the wide-spread exposure across a large vehicle population, the ongoing risk of harm presented by the defective Takata air bag inflators is extraordinary. Accordingly, for the reasons that follow, and upon consideration of the entire record in this proceeding (including NHTSA's ongoing investigation in EA15-001, oversight of the Takata non-desiccated PSAN inflator recalls issued in May and June 2015 by the Original Affected Manufacturers (the "Inflator Recalls") to date, and the Amended Consent Order) NHTSA now issues this Third Amendment to the Coordinated Remedy Order.

Additional Factual Background

4. Following the issuance of the November 2015 Consent Order and the CRO, NHTSA continued its investigation into the rupturing Takata air bag inflators and began to implement the Coordinated Remedy Program.

5. In late 2015, Takata shared new inflator ballistic testing data with the Agency.

[5] This number of inflators does not include like-for-like remedies.

That data included ruptures during testing of four (4) non-desiccated PSPI inflators and two (2) non-desiccated PSPI-L inflators (both of which are passenger side air bag inflators). Based on the new ballistic testing data, in December 2015, Takata amended DIRs 15E-042 (for the PSPI-L) and 15E-043 (for the PSPI) to include inflators through model year 2008, and the impacted vehicle manufacturers[6] expanded their existing recalls to all vehicles with those inflator types through model year 2008.

6. Meanwhile, in the fall of 2015, Takata began ballistic testing and analysis of certain non-desiccated PSDI-5 driver air bag inflators returned from the field. In January 2016, Takata notified the Agency that of 961 returned non-desiccated PSDI-5 inflators subjected to testing, three (3) had ruptured during testing and an additional five (5) had shown elevated internal pressure levels during testing deployment, but did not rupture during testing.

7. In January 2016, the Agency learned that on December 22, 2015, the driver of a 2006 Ford Ranger was killed in a crash in Lancaster County, South Carolina, when the non-desiccated SDI inflator in his air bag ruptured during deployment. While this vehicle was under recall for the passenger side air bag inflator, the driver side air bag inflator had not been recalled because no ruptures had occurred during previous ballistic testing. That ballistic testing was conducted as part of a proactive surveillance testing program that included 1,900 tests conducted on parts taken out of vehicles located in the high absolute humidity ("HAH") region.

8. In light of the new ballistic test data showing ruptures in non-desiccated PSDI-5 inflators (see Paragraph 6)[7], the December 22, 2015, fatality involving a non-desiccated SDI inflator (see Paragraph 7), and paragraph 29 of the November 2015 Consent Order, on January

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[6] Honda, Mazda, and Subaru.

[7] By the time Takata filed the DIR with the Agency on January 25, 2016, Takata reported four (4) ruptures and six (6) abnormally high internal pressurizations during ballistic testing on 1995 inflators returned from the field.

25, 2016, Takata filed two DIRs, initiating the recall of non-desiccated PSDI-5 inflators (16E-005) from start of production through model year 2014, and initiating the recall of non-desiccated SDI inflators (16E-006) from the start of production through model year 2014. Thereafter, vehicle manufacturers impacted by these expansions subsequently filed corresponding DIRs, including Volkswagen and Mercedes-Benz, neither of which had previously been part of the Coordinated Remedy Program.

9. In February and March 2016, the Agency received briefings from Exponent, Inc., Fraunhofer ITC, and Orbital ATK, regarding their research into the root cause(s) of the inflator ruptures, including the conclusions each had drawn as of that time. The findings of all three research organizations were consistent with previous theories that most of the inflator ruptures are associated with a long-term phenomenon of PSAN propellant degradation caused by years of exposure to temperature fluctuations and intrusion of moisture from the ambient atmosphere into the inflator. *See* Amended Consent Order at ¶ 2. The temperature fluctuations and moisture intrusions are more severe in warmer climates with high absolute humidity. *Id.* Based upon the Agency's review of the work done by the research organizations, it concluded that the likely root cause of the rupturing of most[8] non-desiccated frontal Takata air bag inflators is a function of time, temperature cycling, and environmental moisture. *Id.* at ¶ 5. Other factors may influence the relative risk[9] of inflator rupture, but the overarching root cause of the ruptures consists of the three identified factors.

10. Based on the Agency's root cause determination regarding the non-desiccated

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[8] The findings are qualified as applicable to "most" non-desiccated PSAN frontal inflators made by Takata because some of the earliest rupture-related recalls additionally involved certain manufacturing defects that caused the inflators to rupture before the combined effects of time, temperature cycling, and humidity could have caused the degradation that leads to rupture.

[9] Factors that may affect relative risk of inflator rupture and risk to vehicle occupants include, but are not limited to, vehicle size, position of the inflator in the vehicle (passenger, driver, or both), and manufacturing location.

PSAN frontal inflators, on May 4, 2016, NHTSA issued, and Takata agreed to, the Amended Consent Order. The Amended Consent Order sets forth a phased schedule of five DIR filings by Takata between May 15, 2016 and December 31, 2019, that ultimately will recall all Takata frontal non-desiccated PSAN air bag inflators, including all "like-for-like" inflators used as remedy parts during the recalls.[10] Vehicle manufacturers not previously affected by the Takata air bag inflator recalls are included under this DIR schedule, including: Ferrari, Jaguar-Land Rover, McLaren, Tesla, and, by agreement with the Agency, Karma (as to certain Fisker vehicles).

11. Since issuing the CRO, the Agency has continued to monitor the availability of remedy parts supply through communications with Takata, other major inflator suppliers (the "Suppliers"),[11] and Affected Vehicle Manufacturers. At least one vehicle manufacturer has taken significant steps to ensure an adequate supply chain of replacement inflators going forward, including working with alternative suppliers to establish additional supply lines. However, some vehicle manufacturers struggled to find alternative suppliers with sufficient production capacity in a timely fashion, or to identify acceptable final remedy inflators (whether produced by Takata or another supplier). Further, some vehicle manufacturers that became involved in the Takata air bag inflator recalls relatively recently must find remedy parts production capacity in an already crowded marketplace. Additionally, developing and validating new remedy parts can add several months, or more, to the process. However, not all Suppliers are at maximum capacity for future production orders. Suppliers have some limited

[10] Like-for-like replacements are remedy parts that are the same as the part being removed, except that they are new production. These parts are an adequate interim remedy because the risk of inflator rupture develops over time. Thus, like-for-like remedy parts are safe at the time of installation and much safer than the older parts they replace, because the inflators present a lower risk of rupture since insufficient time has passed for the propellant degradation process to have occurred. Like-for-like parts are sometimes also referred to as an "interim remedy".

[11] Hereinafter, "Suppliers" shall collectively refer to Autoliv Americas, Daicel Safety Systems America, LLC, and ZF-TRW.

additional production capacity. Further, the Suppliers and Affected Vehicle Manufacturers have the ability, with time and capital investments, to develop additional supply capacity to address the significant parts demand not only for U.S. supply, but for the larger global supply that may well be required.

12. Significant efforts by the Affected Vehicle Manufacturers and Suppliers to ensure an adequate remedy parts supply will be required for the foreseeable future as these recalls continue to expand with the future scheduled DIRs for Takata frontal air bag inflators containing non-desiccated PSAN (hereafter, the combined current and future recalls of Takata non-desiccated PSAN air bag inflators are referred to as the "Expanded Inflator Recalls"), and the potential expansion by December 31, 2019, to Takata frontal inflators containing desiccated PSAN[12].

13. In addition to the ongoing investigation and recall expansions, the Agency is implementing the Coordinated Remedy Program. This included the selection in December 2015 of an Independent Monitor (hereafter, the Independent Monitor and/or his team are referred to as the "Monitor") responsible for, among other things, data collection from the Affected Vehicle Manufacturers, Takata, and Suppliers, which allows for enhanced analysis on remedy parts supply, recall completion rates, and efforts being made by each affected manufacturer to successfully carry out its recall and remedy program. In addition to frequent direct communications with Takata and each of the Affected Vehicle Manufacturers, the Agency has extensive communications with the Monitor regarding new information, insights, and proposals for addressing challenges identified through the data analysis.

[12] Paragraph 30 of the November 2015 Consent Order provides that the NHTSA Administrator may issue final orders for the recall of Takata's desiccated PSAN inflators if no root cause has been determined by Takata or any other credible source, or if Takata has not otherwise shown the safety and/or service life of the parts by December 31, 2019.

14. In consultation with NHTSA, the Monitor has engaged in extensive discussions with the Affected Vehicle Manufacturers and Takata, and also with the Suppliers. Among other things, the Monitor has conducted data analysis to identify high-risk communities needing improved repair rates; spearheaded targeted outreach into high-risk communities with data analysis of the effectiveness of those efforts; overseen marketing research, developed deep knowledge of affected vehicle manufacturers supply chains and dealer network business practices; and provided recommendations to the vehicle manufacturers subject to the CRO to improve processes, procedures, communications, and outreach to improve recall completion rates at each.

15. Numerous challenges have been identified by the Agency, or brought to the Agency's attention by the Monitor, regarding the recalls underway and varying levels of compliance with the CRO. One significant issue that has arisen is clear communication with the public on what is happening. Consumers are confused. Consumers should be readily able to determine what vehicles are affected (and when), what to do if a remedy part is not available, and whether they will need to get their vehicle repaired more than once. The challenge of providing the public with clear and accurate information (for NHTSA and the Affected Vehicle Manufacturers) is compounded when each vehicle manufacturer crafts a different message, often resulting in consumer confusion.

16. Another overarching challenge has been the term "sufficient supply" to launch a remedy campaign as set forth in paragraph 39 of the CRO. Some vehicle manufacturers have expressed uncertainty to NHTSA about what volume of supply is "sufficient" to launch a remedy campaign. Some vehicle manufacturers have also struggled to comply with the "sufficient supply" schedule set forth in paragraph 39 of the CRO, and some have provided

inadequate and late communication to NTHSA regarding their inability to fully meet the "sufficient supply" schedule. Finally, some vehicle manufacturers have communicated to the Agency and the Monitor that they had adequate supply to launch, yet did not reflect that status in the data sent to the Vehicle Identification Number ("VIN") Lookup Tool available through NHTSA's website, safercar.gov. If a manufacturer has sufficient parts to repair vehicles, it is inappropriate for the manufacturer to keep that information hidden from the anxiously awaiting public in need of those remedy parts.

17. In addition, several vehicle manufacturers submitted inadequate recall engagement processes or plans, required under paragraph 41 of the CRO, and have failed to take actions sufficient to effectuate full and timely remedy completion (i.e., limiting efforts to: sending recall notices by mail, using phone calls and text messaging, providing customer data to dealers, evaluating technician training requirements, having some information available on their website, and updating the VIN lookup information available through safercar.gov, and completing biweekly recall completion updates to the Agency but with inconsistent accuracy of data). Such inadequate efforts were often accompanied by an unwillingness or inability to implement recommendations of the Monitor as to how to improve outreach efforts and remedy completion rates.

18. Other issues that have arisen in the Coordinated Remedy Program include: reluctance by some vehicle manufacturers to provide timely customer notification of a recall, or of remedy part availability; inadequate effort by some vehicle manufacturers to motivate customers to get repairs done, i.e., to actually carry out and complete the remedy campaign; reluctance by some vehicle manufacturers to stop using Takata PSAN-based inflators without conducting adequate research to prove their safety, despite the potential for additional recalls of

these very parts; some vehicle manufacturers' consumer communications indicating that the remedy is not important, or the recall is not serious; resistance by some vehicle manufacturers engaging in surveillance programs for Takata inflators that contain desiccated PSAN; and reluctance by certain vehicle manufacturers to cooperate with the Monitor, including reluctance to provide information requested by the Monitor in carrying out Monitor duties.

19. In addition to the above challenges to NHTSA's oversight of vehicle manufacturers under the existing Coordinated Remedy Program and the CRO, a change to the structure of the recall zones will present challenges going forward. In the original CRO issued in November 2015, vehicles were categorized into the HAH and non-HAH categories based upon the best available information at that time, which indicated that vehicles in the HAH region posed the greatest risk of rupture and thus the greatest risk of injury or death. Further testing and analysis done by Exponent, Inc. has now provided the Agency with a better understanding of the PSAN degradation process. The current, best available information shows that the HAH region should also include the states of South Carolina and California[13], and that the non-HAH region can be broken into two separate risk zones with the northern zone presenting the lowest risk of rupture in the near-term. The most recent recall expansions (filed in May and June 2016) categorized vehicles into these three zones—the HAH and two non-HAH zones[14]—rather than the two HAH and non-HAH zones previously used. However, the previous recalls remain divided into the two-zone system.

20. As of December 1, 2016, there have been 220 confirmed Takata inflator rupture incidents in the United States. Many of these incidents resulted in serious injury to vehicle

[13] The previously defined HAH region includes the following states and territories: Alabama, Florida, Georgia, Hawaii, Louisiana, Mississippi, Texas, Puerto Rico, American Samoa, Guam, the Northern Mariana Islands (Saipan), and the U.S. Virgin Islands. *See* Coordinated Remedy Order at ¶ 38 n.8 (Nov. 3, 2015).

[14] The three zones—A, B, and C—are defined in paragraph 7 of the Amended Consent Order.

occupants. In 11 of the incidents, the vehicle's driver died as a result of injuries sustained from the rupture of the air bag inflator. In other incidents, vehicle occupants suffered injuries including cuts or lacerations to the face or neck, broken or fractured facial bones, loss of eyesight, and broken teeth. The risk of these tragic consequences is greatest for individuals sitting in the driver seat.

Findings

Based upon the Agency's analysis and judgment, and upon consideration of the entire record, NHTSA finds that:

21. There continues to be a risk of serious injury or death if the remedy programs of the Affected Vehicle Manufacturers are not accelerated.

22. Acceleration of each Affected Vehicle Manufacturers' remedy program can be reasonably achieved by expanding the sources of replacement parts.

23. Each Affected Vehicle Manufacturers' remedy program will not likely be completed within a reasonable time without acceleration.

24. Each air bag inflator with the capacity to rupture (e.g., the recalled Takata non-desiccated PSAN inflators) presents an unreasonable risk of serious injury or death. As of December 1, 2016, 11 individuals have already been killed in the United States alone, with reports of at least 184 injured. Since the propensity for rupture is a function of time, humidity, and temperature cycling, the risk for injurious or lethal rupture in affected vehicles increases each day. While each of the Affected Vehicle Manufacturers has made effort towards the remedy of these defective air bag inflators, acceleration and coordination of the inflator remedy programs is necessary to reduce the risk to public safety. Acceleration and coordination

(including the Expansion Vehicle Manufacturers) will enhance the ability of all of the Affected Vehicle Manufacturers to carry out remedy programs using established priorities based on relative risk; coordinate on safety-focused efforts to successfully complete their respective remedy programs; and allow for the organization and prioritization of remedy parts, if needed, with NHTSA's oversight.

25. Continued acceleration of the inflator remedy programs can be reasonably achieved by, among other things, expanding the sources of replacement parts. This acceleration can be accomplished in part by a vehicle manufacturer contracting with any appropriate alternative part supplier for remedy parts. Takata cannot manufacture sufficient remedy parts in a reasonable time for the estimated 61 million inflators that presently require remedy in the U.S. market alone under the recalls of Takata's frontal non-desiccated PSAN inflators.

26. In light of all the circumstances, including the safety risks discussed above, the Affected Vehicle Manufacturers' recall remedy programs are not likely capable of completion within a reasonable amount of time without acceleration of each remedy program. It is critical to the timely completion of each remedy program that the Affected Vehicle Manufacturers obtain remedy inflators from sources other than Takata. There is no single supplier capable of producing the volume of replacement inflators required, in a reasonable timeframe, to supply all of the remedy parts.

27. Based on the challenges identified thus far in implementing and carrying out the Coordinated Remedy Program, the Agency finds that clarification of terms of the CRO and additional CRO requirements are necessary to effectively monitor the Affected Vehicle Manufacturers' recall and remedy programs.

28. Further, based upon the recall completion information available to the Agency and the severity of the harm from inflator ruptures, notifications to vehicle owners sent by the Affected Vehicle Manufacturers do not result in an adequate number of vehicles being returned for the inflator remedy within an acceptable timeframe.

29. The issuance of this Third Amendment to the Coordinated Remedy Order is a necessary and appropriate exercise of NHTSA's authority under the Safety Act, 49 U.S.C. § 30101, *et seq.*, as delegated by the Secretary of Transportation, 49 C.F.R. §§ 1.95, 501.2(a)(1), to inspect and investigate, 49 U.S.C. § 30166(b)(1); to ensure that defective vehicles and equipment are recalled and remedied and that owners are notified of a defect and how to have the defect remedied, 49 U.S.C. §§ 30118-30120; to ensure the adequacy of the remedy, including through acceleration of the remedy program, 49 U.S.C. § 30120(c); to require vehicle manufacturers and equipment manufacturers to keep records and make reports, 49 U.S.C. § 30166(e); to require any person to file reports or answers to specific questions, 49 U.S.C. § 30166(g); and to seek civil penalties, 49 U.S.C. § 30165.

30. This Third Amendment to the Coordinated Remedy Order, developed based on all evidence, data, analysis, and other information received in the Coordinated Remedy Program Proceeding, NHTSA investigation EA15-001, the Amended Consent Order, and information learned in implementing and overseeing the Coordinated Remedy Program, will reduce the risk of serious injury or death to the motoring public and enable the affected vehicle manufacturers and Takata to implement, and complete, the necessary remedy programs on an accelerated basis.

Accordingly, it is hereby ORDERED by NHTSA as follows:

II. ADDITIONAL TERMS TO THE COORDINATED REMEDY ORDER.

31. In addition to the Original Affected Manufacturers covered under the Coordinated Remedy Order issued November 3, 2015, the following vehicle manufacturers are hereby added to the Coordinated Remedy Program and, henceforth, are subject to the terms of the Coordinated Remedy Order and this Amendment: Ferrari North America, Inc., Jaguar Land Rover North America, LLC, McLaren Automotive, Ltd., Mercedes-Benz US, LCC, Tesla Motors, Inc., Volkswagen Group of America, Inc., and, based on a Memorandum of Understanding with the Agency, Karma Automotive[15].

32. Pursuant to 49 U.S.C. § 30118, within 5 business days of Takata filing a DIR as set forth in the Amended Consent Order, each Affected Vehicle Manufacturer shall file with the Agency a corresponding DIR for the affected vehicles in that vehicle manufacturers' fleet. Takata DIRs are scheduled to be filed with the Agency on December 31 of the years 2016, 2017, 2018, and 2019. Where a DIR is scheduled to be filed on a weekend or federal holiday, that DIR shall instead be filed on the next business day that the federal government is open.

Amended Priority Groups and Recall Completion Deadlines for the Coordinated Remedy Program

33. The Agency has communicated with the Affected Vehicle Manufacturers regarding vehicle prioritization plans based on a risk-assessment that takes into account the primary factors related to Takata inflator rupture, as currently known and understood, and other

[15] As to certain Fisker vehicles per the Memorandum of Understanding dated September 16, 2016.

relative risk factors specific to that vehicle manufacturer's products. The primary factors utilized in prioritizations remain the same as in the CRO and are: (1) age of the inflator (with older presenting a greater risk of rupture); (2) geographic location of the inflator (with prolonged exposure to HAH presenting a greater risk of rupture); and (3) location of the Takata inflator in the vehicle (driver, passenger, or both). Prioritizations also take into account continuity of previous recall plans and priority groups. In order to timely and adequately complete its remedy program, each Affected Vehicle Manufacturer shall, pursuant to 49 U.S.C. § 30120(a)(1) and (c), carry out its remedy program in accordance with the following prioritization plans unless otherwise authorized by the Agency. A complete listing of the vehicles in each priority group ("Priority Group") developed using the above risk factors is attached hereto as Amended Annex A[16], and is hereby incorporated by reference as if fully set forth herein. The Priority Groups are as follows:

a. **Priority Group 1** – Highest risk vehicles that were recalled May through December **2015**.
b. **Priority Group 2** – Second highest risk vehicles that were recalled May through December **2015**.
c. **Priority Group 3** – Third highest risk vehicles that were recalled May through December **2015**.
d. **Priority Group 4** – Highest risk vehicles that were recalled January through June **2016**[17].
e. **Priority Group 5** – Second highest risk vehicles that were recalled January through June **2016**.
f. **Priority Group 6** – Third highest risk vehicles that were recalled January through June **2016**.
g. **Priority Group 7** – Vehicles scheduled for recall by the Affected Vehicle Manufacturers[18] in January 2017 that have ever been registered in Zone A.[19]

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[16] Because information about the risk factors may change throughout this Coordinated Remedy Program, these prioritizations are subject to change by a vehicle manufacturer, subject to NHTSA's oversight and approval.

[17] Vehicles in Priority Groups 4 through 10 were not recalled in May of 2015 and thus were not part of the original prioritizations. Priority Group ("PG") 4 and 5, in particular, should be considered comparable to PG 1 and 2 of the CRO in terms of urgency of the remedy.

[18] Vehicles in Priority Groups 7 through 10 are defined as being recalled by Affected Vehicle Manufacturers in January of a given year to minimize confusion about which vehicles and DIRs are affected, because Takata will file DIRs by December 31 of the prior year, or on the first business day of the PG defined year when December 31 falls on a weekend or holiday.

h. **Priority Group 8** – Vehicles scheduled for recall by the Affected Vehicle Manufacturers in January 2017 that *have not* ever been registered in the Zone A region during the service life of the vehicle.
i. **Priority Group 9** – Vehicles scheduled for recall by the Affected Vehicle Manufacturers in January 2018.
j. **Priority Group 10** – Vehicles scheduled for recall by the Affected Vehicle Manufacturers in January 2019.
k. **Priority Group 11** – Vehicles ever registered in the HAH or Zone A that were previously remedied with a "like for like" part[20] under a recall initiated by an Affected Vehicle Manufacturer during calendar year 2015 or before.
l. **Priority Group 12** – Vehicles previously remedied with a "like for like" part and are not covered in Priority Group 11.

34. Pursuant to their obligations to remedy a defect within a reasonable time, as set forth in 49 U.S.C. § 30120(a)(1) and § 30120(c)(2), each Affected Vehicle Manufacturer shall acquire a sufficient supply of remedy parts to enable it to provide remedy parts, in a manner consistent with customary business practices, to dealers within their respective dealer networks and, *further, to launch the remedy program,* by the timelines set forth in this Paragraph. Each Vehicle Manufacturer shall ensure that it has a sufficient supply of remedy parts on the following schedule:

Priority Group	**Sufficient Supply & Remedy Launch Deadlines**
Priority Group 1	March 31, 2016
Priority Group 2	September 30, 2016
Priority Group 3	December 31, 2016
Priority Group 4	March 31, 2017
Priority Group 5	June 30, 2017
Priority Group 6	September 30, 2017
Priority Group 7	December 31, 2017
Priority Group 8	March 31, 2018
Priority Group 9	June 30, 2018
Priority Group 10	March 31, 2019
Priority Group 11	March 31, 2020
Priority Group 12	September 30, 2020

[19] Zone A includes the original HAH area plus the addition of the expansion states of California and South Carolina.
[20] These parts are sometimes referred to as "interim parts".

Further, to the maximum extent possible, each Affected Vehicle Manufacturer shall take those measures necessary to sustain its supply of remedy parts available to dealers so that dealers are able to continue remedying vehicles after remedy program launch without delay or disruption due to issues of sufficient supply. An Affected Vehicle Manufacturer may, after consultation with and approval from NHTSA, further accelerate the launch of a Priority Group to begin the recall remedy campaign at an earlier date, provided that the vehicle manufacturer has a sufficient supply available to do so without negatively affecting supply for earlier Priority Groups.

35. To more clearly specify the remedy completion progress required in accelerating the Expanded Inflator Recalls, pursuant to the Affected Vehicle Manufacturers obligations to remedy a defect within a reasonable time (as set forth in 49 U.S.C. § 30120(a)(1) and § 30120(c)(2)-(3)) each Affected Vehicle Manufacturer shall implement and execute its recall remedy program in a manner and according to a schedule designed to achieve the following remedy completion percentages[21] at the following intervals:

End of Quarter (after remedy launches)	Percentage of campaign vehicles remedied
1st	15%
2nd	40%
3rd	50%
4th	60%
5th	70%
6th	80%
7th	85%
8th	90%
9th	95%
10th	100%

An Affected Vehicle Manufacturer shall not delay the launch of a remedy campaign, or decline to timely obtain sufficient supply to launch or sustain a remedy campaign, to defer the completion targets set forth in the preceding chart. An Affected Vehicle Manufacturer further

[21] The remedy completion timeline set forth in paragraph 35 does not apply to Priority Groups 1, 2, and 3, for which completion deadlines were previously established in the Coordinated Remedy Order.

accelerating a Priority Group under Paragraph 34 herein shall not be penalized for launching early, and shall be held to the standard of meeting the remedy completion timeline as though the recall remedy campaign launched on the date established in the Paragraph 34 Sufficient Supply & Remedy Launch Deadline ("Supply& Launch Deadline") chart.

Remedy Completion Maximization Efforts

36. Pursuant to 49 U.S.C. § 30166(e), within 90 days of the issuance of this Amendment, a vehicle manufacturer recalling inflators subject to this Amendment shall provide to NHTSA and to the Monitor a written recall engagement plan for maximizing remedy completion rates for all vehicles covered by the Expanded Inflator Recalls. Such plan shall, at a minimum, include, but not be limited to, plans to implement the methodology and techniques presented at NHTSA's Retooling Recalls Workshop held at the U.S. Department of Transportation Headquarters on April 28, 2015, as well as the recommendations the Monitor has supplied to vehicle manufacturers. Further, each such plan shall also include:

a. a narrative statement, which may be supplemented with a table, specifically detailing all inquiries made, contracts entered, and other efforts made to obtain sufficient remedy supply parts for the Inflator Recalls, including, but not limited to, the name of the supplier contacted; date of contact, request or inquiry made; and current status of that inquiry including any date by which action by one party must be taken. To ensure that sufficient United States supply will not be negatively impacted by global supply demands, this statement shall clearly explain: (i) the volume of supply intended for use in the United States; and (ii) the volume of supply the vehicle manufacturer is

obtaining for recalls outside the United States; and

b. a narrative statement discussing specific communications and marketing efforts the vehicle manufacturer has taken, is taking, or is considering or planning to take to improve and maximize recall completion rates including, but not limited to, data segmentation and specific motivational tools; and

c. a narrative statement discussing in detail efforts the vehicle manufacturer has taken, is taking, and is considering or planning to take, to prevent the sale of inflators and/or air bag modules covered by the Expanded Inflator Recalls, and vehicles equipped with the same, over the internet (i.e., through online marketplaces including, but not limited to, eBay, Amazon Marketplace, Facebook Marketplace, Alibaba, Craigslist, Hollander.com, and carparts.com). This discussion shall include the company name, contact name, email and telephone contact information for any online marketplace contacted, and any third-party company enlisted to assist in this work; and

d. a detailed narrative discussion of what efforts the vehicle manufacturer has taken, is taking, or is considering or planning to take, to monitor and remove inflators covered by the Expanded Inflator Recalls as the affected vehicles move through the used vehicle market and end-of-life market (i.e. vehicle auctions, franchised dealer lots, independent dealer lots, off-lease programs, scrapyards, etc.). This discussion shall include the company name, contact name, email and telephone contact information for contacts at any third-party company enlisted to assist in this work; and

e. discussion of any other efforts the vehicle manufacturer is considering or has

implemented evidencing the good-faith efforts being made by that vehicle manufacturer to maximize the Expanded Inflator Recalls completion rates and timely remedying of affected vehicles and the removal of defective inflators and/or inflator modules.

Such a plan shall be submitted with clear headings and subheadings that state the subject area addressed. A vehicle manufacturer that previously submitted a report pursuant to paragraph 41 of the CRO shall file an updated plan including all of the components identified herein.

37. Pursuant to 49 U.S.C. § 30166(e), each Affected Vehicle Manufacturer shall submit to NHTSA and to the Monitor at the end of each calendar quarter supplemental assessments ("Quarterly Supplements") of the remedy completion and maximization plans submitted pursuant to paragraph 36 of this Amendment. These Quarterly Supplements shall include, at a minimum:

a. a detailed explanation of the effectiveness of efforts since the last reporting period and an update on the implementation status of the maximization plan presented; and
b. a discussion of additional efforts being considered and/or undertaken to increase completion rates and meet the deadlines set forth in the CRO and this Amendment; and
c. a detailed discussion of efforts to implement Monitor recommendations, including recommendations issued prior to this Amendment; and
d. a detailed update on efforts made, and metrics of success, relating to each of the issues and actions identified in paragraph 36 above; and
e. a statement and/or accounting of the impact of the vehicle manufacturer's

additional efforts on its recall completion relative to each of its recalls governed by this Amendment.

Quarterly Supplements shall discuss efforts made since the last report as well as future efforts planned or contemplated going forward. Quarterly Supplements shall be submitted with clear headings and subheadings identifying the required subject area addressed. Each Vehicle Manufacturer filing a plan pursuant to paragraph 36 herein shall file its first Quarterly Supplement not later than June 30, 2017.

38. Pursuant to 49 U.S.C. § 30166(e), each Vehicle Manufacturer shall submit to the Agency a Sufficient Supply & Remedy Launch Certification Report ("Supply Certification") not later than the Supply & Remedy Launch Deadline set forth for the applicable Priority Group in paragraph 34 herein, stating:

a. the criteria used to determine the appropriate sufficient supply to launch the remedy program for this particular phase of the recall;
b. the total number of Expanded Inflator Recalls remedy parts (or kits) the vehicle manufacturer has on hand in the United States available to customers through its dealer netwok within 48 hours;
c. the total number of Expanded Inflator Recalls remedy parts the vehicle manufacturer has on hand in the United States currently located at dealer locations ready and available for use as vehicle repair parts;
d. the percentage of Expanded Inflator Recalls remedy parts available to the dealer network within 48 hours (i.e., the volume covered under 38.b. above based on the total number of vehicles remaining to be repaired); and
e. the specific remedy part(s) identified in the Supply Certification, including

the inflator supplier and the inflator model or type as identified by the inflator supplier to the vehicle manufacturer.

For paragraphs (b), (c), and (d), if more than one remedy inflator supplier or more than one remedy part is being utilized, the volumes of each part shall also be specified by inflator supplier and inflator model or type. The Supply Certification shall be signed under oath, i.e., accompanied by an affidavit, by a responsible officer of that vehicle manufacturer.

39. Any Affected Vehicle Manufacturer seeking an extension of time to launch based on an insufficient supply by the Supply& Launch Deadline as set forth in the CRO or this Amendment shall submit to the Agency not less than 45 days prior to the applicable deadline a Notice of Anticipated Shortage and Request for Extension ("Extension Request"). An Extension Request shall be signed under oath, (i.e., accompanied by an affidavit, by a responsible officer of that vehicle manufacturer) and shall include a thorough explanation of (i) why the vehicle manufacturer believes it will not be able to meet the sufficient supply deadline; (ii) the remedy part selection, validation, and development process it is using (including the timeline for this process); (iii) the steps the vehicle manufacturer is taking to obtain sufficient supply; (iv) how many replacement parts (number and percentage ready for launch) the vehicle manufacturer reasonably believes will be available by the Supply & Launch Deadline, and (v) a specific extension request date. If an Affected Vehicle Manufacturer determines within 45 days of the Supply & Launch Deadline that it is unlikely to have a sufficient supply of remedy parts by that date, that vehicle manufacturer shall file an Extension Request with the Agency within 2 business days of making such determination. Any vehicle manufacturer filing an Extension Request shall provide an Extension Request Update not less than 14 days prior to the Sufficient Supply & Remedy Launch Deadline informing the Agency of any changes in the sufficient

supply status and making any additional necessary requests.

40. Pursuant to 49 U.S.C. §§ 30116–30120 and Pub. L. 112-141, 126 Stat. 405, within 24 hours of filing a Supply Certification, each Affected Vehicle Manufacturer shall update the remedy status returned in a search of NHTSA's Vehicle Identification Number ("VIN") Lookup Tool, as well as its own recall search tool, if it is required under federal regulation to support those tools or is voluntarily supporting those tools at the time of this Amendment, to reflect that parts are available for vehicles covered by the Supply Certification.

41. Pursuant to 49 U.S.C. §§ 30120(a), 30120(c)(3), and 30166(e), each Affected Vehicle Manufacturer using, or planning to use, a desiccated PSAN Takata inflator as a final remedy shall work in coordination with Takata to develop and implement an appropriate surveillance and testing plan to ensure the safety of the desiccated PSAN inflator part as an adequate final remedy. Not more than 60 days following the issuance of this Amendment, each vehicle manufacturer affected by this paragraph shall submit, jointly with Takata, to NHTSA and the Monitor a written plan setting forth the testing plan. Such plan shall include parts recovery and testing for Takata desiccated PSAN inflators from the field when that vehicle manufacturer's fleet includes vehicles equipped with Takata desiccated PSAN inflators. Pursuant to paragraph 30 of the November 2015 Consent Order to Takata, these desiccated PSAN inflators remain subject to potential recall if Takata or another credible source has not proven the safety of the parts by December 31, 2019, and, as such, require further investigation by Takata and the relevant vehicle manufacturers, particularly when used as a final remedy part.

42. Pursuant to 49 U.S.C. §§ 30118(c)-(d), 30119(a)-(f), and 30120(c)(3), each Affected Vehicle Manufacturer shall conduct supplemental owner notification efforts, in coordination with the Agency and the Monitor, to increase remedy completion rates and

accelerate its remedy completion timeline. Such notifications shall be made by an Affected Vehicle Manufacturer either upon specific recommendation of the Monitor to that Affected Vehicle Manufacturer, or at NHTSA's direction, or may also occur upon a vehicle manufacturer initiating such action in consultation with NHTSA and/or the Monitor. Supplemental communications shall adhere to *Coordinated Communications* Recommendations issued by the Monitor, forthcoming, unless otherwise agreed to by the Agency. *Coordinated Communications* Recommendations shall be made public on NHTSA's website. One or more Affected Vehicle Manufacturer(s) may, at any time, propose alternative messaging, imaging, formats, technologies, or communications strategies, with any supporting data, analysis, and rationales favoring the variation in communication, to the Agency and the Monitor. Not less than five (5) business days prior to sending, or otherwise issuing, a supplemental communication under this paragraph, an Affected Vehicle Manufacturer shall provide electronic versions of all supplemental consumer communications to both the Agency and the Monitor following the submission instructions to be set forth in the *Coordinated Communications* Recommendations.

Potential Future Recalls

43. Paragraph 30 of the November 2015 Consent Order provides that the NHTSA Administrator may issue final orders for the recall of Takata's desiccated PSAN inflators if, by December 31, 2019, Takata or another credible source has not proven to NHTSA's satisfaction that the inflators are safe or the safe service life of the inflators. Pursuant to 49 U.S.C. § 30166(e), each Affected Vehicle Manufacturer with any vehicle in its fleet equipped with a desiccated PSAN Takata inflator, and not filing a report under paragraph 41 herein, shall provide a written plan, not more than 90 days following the issuance of this amendment, fully

detailing the vehicle manufacturer's plans to confirm the safety and/or service life of the desiccated PSAN inflator(s) used in its fleet. This plan shall include discussion of any plans to coordinate with Takata for recovery of parts from fleet vehicles and testing, and any anticipated or future plans to develop or expand a recovery and testing protocol of the desiccated PSAN inflators.

Record Keeping & Reports

44. Pursuant to 49 U.S.C. § 30166(e), Affected Vehicle Manufacturers shall submit complete and accurate biweekly recall completion update reports to NHTSA and the Monitor in the format(s) and manner requested.

45. Currently, vehicle manufacturers conducting recalls report to NHTSA vehicles determined to be unreachable for recall remedy due to export, theft, scrapping, failure to receive notification (return mail), or other reasons (manufacturer specifies), as part of regulatory requirements. *See* 49 CFR § 573.7(b)(5). Recording and reporting the volume of the unreachable population is important in calculating a recall's completion and assessing a recall campaign's success. It is also important for purposes of reallocating outreach resources from vehicles likely no longer in service to vehicles that are, and thus continue to present an unreasonable risk to the public. In the interest of obtaining a higher degree of accuracy in recalls completion reporting, and to support the Affected Vehicle Manufacturers in focusing their resources on remedy campaign vehicles at risk, Affected Vehicle Manufacturers are hereby permitted to count vehicles in the "other reasons" portion of their unreachable population counts where:

a. ALL vehicles in the particular recall campaign are at least five years of age measured from their production dates; and

b. a vehicle has not been registered in any state or territory, or has held an expired registration, for at least three continuous years; and

c. at least one alternative, nationally recognized data source corroborates the vehicle is no longer in service. Examples of such data sources include: records from the National Motor Vehicle Title Information Service (NMVTIS); a license plate recognition data source; and a vehicle history report reflecting a lack of activity for at least three years (e.g., no repair or maintenance history, no transfer of title or purchase records, etc.). In utilizing this provision, a vehicle manufacturer shall not ignore information in its possession that indicates that the vehicle remains in service.

46. For the purposes of reporting under this Amendment, Affected Vehicle Manufacturers may remove from recall outreach efforts the vehicles counted in the "other" category pursuant to the procedure set forth in the preceding paragraph. This includes re-notifications. However, in all instances, Affected Vehicle Manufacturers shall conduct required first class mailings, pursuant to 49 CFR § 577.5. These mailings may be discontinued for vehicles the vehicle manufacturer has identified, and reported to NHTSA, as scrapped, exported, stolen, or for whom mail was returned.

47. Before utilizing the "other" category as set forth herein, the vehicle manufacturer shall explicitly notify NHTSA through a Part 573 document (initial or updated) that it intends to use the "other" reporting category to report counts of vehicles that meet its defined criteria. The manufacturer shall notify NHTSA of its decision before filing the quarterly report, or biweekly

completion report, in which the vehicle manufacturer intends to utilize this "other" category as set forth herein.

48. Vehicle manufacturers opting to use the "other" reporting category shall:

a. keep records to substantiate the determination to count any vehicle in the "other" category; and

b. in the initial notice, and with updates upon NHTSA's request, provide written documentation identifying to NHTSA an estimate of the financial resources saved utilizing this approach and explaining how those resources are reallocated to improve recall completion rates for the recalled vehicle population that remains in service; and

c. perform retroactive monitoring to identify any VIN reported as "other" but that was later serviced, for any reason, by a dealer. This recurring obligation shall be completed every quarter for which the vehicle manufacturer reports on the recall. Should the number of these VINs exceed five (5) percent of the total number of "other" reported VINs, the vehicle manufacturer must notify NHTSA and justify why the "other" category should remain available for use for that recall; and

d. maintain ALL VINs as active, or "live", in the VIN data systems such that any search for the VIN will reflect an open recall status on the NHTSA web tool, the manufacturer's web tool, and any and all dealer and other data networks with, and through which, the vehicle manufacturer communicates safety recall status information.

49. The Agency may, in its discretion, reject, modify, or terminate, a manufacturer's use of the "other" category reporting mechanism.

50. Vehicle manufacturers are required to provide six (6) consecutive quarters of reporting on recall completions pursuant to 49 CFR 573.7. Some Affected Vehicle Manufacturers are utilizing phased launches to prioritize parts availability in certain recall remedy campaigns. While quarterly reports must be filed once a vehicle manufacturer has initiated a recall remedy program, the consecutive quarters of reporting shall be counted towards the six required reports once the campaign is fully launched.

Miscellaneous

51. NHTSA may, after consultation with an affected vehicle manufacturer, and/or Takata, or upon a recommendation of the Monitor, modify or amend provisions of this Amendment to, among other things: account for and timely respond to newly obtained facts, data, changed circumstances, and/or other information that may become available throughout the term of the Coordinated Remedy Program. Such modifications may include, but are not limited to, changes to the Priority Groups contained in Amended Annex A; allowing for reasonable extensions of time for the timelines contained in Paragraphs 34 and 35; facilitating further recalls as contemplated by Paragraphs 29 and 30 of the Amended Consent Order; or for any other purpose related to the Coordinated Remedy Program, the Coordinated Remedy Order, and/or this Amendment to the Coordinated Remedy Order. Any such modification or amendment shall be made in writing signed by the NHTSA Administrator or his designee.

52. This Amendment shall be binding upon, and inure to the benefit of, Takata and the Affected Vehicle Manufacturers, including their current and former directors, officers,

employees, agents, subsidiaries, affiliates, successors, and assigns, as well as any person or entity succeeding to its interests or obligations herein, including as a result of any changes to the corporate structure or relationships among or between Takata, or any Affected Vehicle Manufacturers, and any of that company's parents, subsidiaries, or affiliates.

53. This Amendment shall become effective upon issuance by the NHTSA Administrator. In the event of a breach of, or failure to perform, any term of this Amendment by Takata or any Affected Vehicle Manufacturer, NHTSA may pursue any and all appropriate remedies, including, but not limited to, seeking civil penalties pursuant to 49 U.S.C. § 30165, actions compelling specific performance of the terms of this Order, and/or commencing litigation to enforce this Order in any United States District Court.

54. This Amendment to the Coordinated Remedy Order should be construed to include all terms and provisions of the Coordinated Remedy Order, and prior Amendments, unless expressly superseded herein.

55. This Amendment to the Coordinated Remedy Order shall not be construed to create rights in, or grant any cause of action to, any third party not subject to this Amendment.

56. In carrying out the directives of the Coordinated Remedy Order and this Amendment to the Coordinated Remedy Order, vehicle manufacturers and vehicle equipment manufacturers (i.e., suppliers) shall not engage in any conduct prohibited under the antitrust laws, or other applicable law.

IT IS SO ORDERED:

NATIONAL HIGHWAY TRAFFIC SAFETY
ADMINISTRATION,
U.S. DEPARTMENT OF TRANSPORTATION

Dated: DECEMBER _9_, 2016

By: **// ORIGINAL SIGNED BY //**

Mark R. Rosekind, Ph.D.
Administrator

AMENDED ANNEX A[22]

Coordinated Remedy Program Priority Groups

In the following Priority Groups, the area of high absolute humidity ("HAH") is defined by each vehicle manufacturer individually, but in **all** instances includes vehicles originally sold or ever registered in Alabama, Florida, Georgia, Hawaii, Louisiana, Mississippi, Texas, Puerto Rico, American Samoa, Guam, Saipan, and the U.S. Virgin Islands. "Non-HAH" means any vehicle that has not been identified by the vehicle manufacturer as having been originally sold or ever registered in the HAH region, as defined by the vehicle manufacturer. The terms HAH and Non-HAH apply to vehicles in Priority Groups 1, 2, and 3. Zones A, B, and C are defined in paragraph 7 of the Amendment to November 3, 2015 Consent Order issued to Takata by the National Highway Traffic Safety Administration on May 4, 2016. Zone A includes the previously defined HAH plus the expansion states of California and South Carolina. Zones A, B, and C apply to Priority Groups 4 through 12.

[22] Corrected as of December 16, 2016.

PG	Model Years	Make	Model, Inflator Position & (Zone)[23]
1	2003 - 2003	Acura	3.2CL DAB (HAH)
1	2003 - 2003	Acura	3.2CL DAB (Non-HAH)
1	2002 - 2003	Acura	3.2TL DAB (HAH)
1	2002 - 2003	Acura	3.2TL DAB (Non-HAH)
1	2002 - 2006	BMW	3 Series, M3 DAB (HAH)
1	2002 - 2006	BMW	3 Series, M3 PAB (HAH)
1	2005 - 2008	Chrysler	300, 300C, SRT8 DAB (HAH)
1	2005 - 2005	Chrysler	300, 300C, SRT8 DAB (Non-HAH)
1	2005 - 2005	Chrysler	300, 300C, SRT8 PAB (HAH)
1	2008 - 2008	Dodge	Challenger DAB (HAH)
1	2006 - 2008	Dodge	Charger DAB (HAH)
1	2005 - 2005	Dodge	Dakota Pickup DAB (HAH)
1	2005 - 2005	Dodge	Dakota Pickup PAB (HAH)
1	2004 - 2005	Dodge	Durango DAB (HAH)
1	2004 - 2005	Dodge	Durango PAB (HAH)
1	2005 - 2008	Dodge	Magnum DAB (HAH)
1	2005 - 2005	Dodge	Magnum DAB (Non-HAH)
1	2005 - 2005	Dodge	Magnum PAB (HAH)
1	2004 - 2005	Dodge	RAM 1500 Pickup PAB (HAH)
1	2004 - 2005	Dodge	RAM 1500, 2500, 3500 Pickup DAB (HAH)
1	2005 - 2005	Dodge	RAM 2500 Pickup PAB (HAH)
1	2007 - 2008	Dodge	Sprinter PAB (HAH)
1	2005 - 2006	Ford	GT DAB (HAH)
1	2005 - 2006	Ford	GT PAB (HAH)
1	2005 - 2008	Ford	Mustang DAB (HAH)
1	2004 - 2005	Ford	Ranger DAB (HAH)
1	2004 - 2005	Ford	Ranger PAB (HAH)
1	2007 - 2008	Freightliner	Sprinter PAB (HAH)
1	2005 - 2005	GM-Saab	9-2X PAB (HAH)
1	2001 - 2003	Honda	ACCORD DAB (HAH)
1	2001 - 2003	Honda	ACCORD DAB (Non-HAH)
1	2003 - 2003	Honda	ACCORD PAB (HAH)
1	2003 - 2003	Honda	ACCORD PAB (Non-HAH)
1	2001 - 2005	Honda	CIVIC DAB (HAH)
1	2001 - 2003	Honda	CIVIC DAB (Non-HAH)
1	2003 - 2005	Honda	CIVIC HYBRID DAB (HAH)
1	2003 - 2003	Honda	CIVIC HYBRID DAB (Non-HAH)
1	2003 - 2005	Honda	CIVIC HYBRID PAB (HAH)

[23] Where a vehicle make, model, model year appears in one Priority Group ("PG") and the "Zone" is listed as "(Non-A)", and the same vehicle make, model, and model year appears in a later PG as applicable to "Zone C", the "Non-A" zone refers to Zone B vehicles.

PG	Model Years	Make	Model, Inflator Position & (Zone)
1	2003 - 2003	Honda	CIVIC HYBRID PAB (Non-HAH)
1	2001 - 2005	Honda	CIVIC NGV DAB (HAH)
1	2001 - 2003	Honda	CIVIC NGV DAB (Non-HAH)
1	2001 - 2005	Honda	CIVIC NGV PAB (HAH)
1	2001 - 2003	Honda	CIVIC NGV PAB (Non-HAH)
1	2001 - 2005	Honda	CIVIC PAB (HAH)
1	2001 - 2003	Honda	CIVIC PAB (Non-HAH)
1	2002 - 2006	Honda	CR-V DAB (HAH)
1	2002 - 2002	Honda	CR-V DAB (Non-HAH)
1	2002 - 2005	Honda	CR-V PAB (HAH)
1	2002 - 2002	Honda	CR-V PAB (Non-HAH)
1	2003 - 2006	Honda	ELEMENT DAB (HAH)
1	2003 - 2004	Honda	ELEMENT PAB (HAH)
1	2002 - 2002	Honda	ODYSSEY DAB (HAH)
1	2002 - 2002	Honda	ODYSSEY PAB (HAH)
1	2003 - 2008	Honda	PILOT DAB (HAH)
1	2003 - 2008	Honda	PILOT DAB (Non-HAH)
1	2003 - 2005	Honda	PILOT PAB (HAH)
1	2003 - 2005	Honda	PILOT PAB (Non-HAH)
1	2006 - 2006	Honda	RIDGELINE DAB (HAH)
1	2006 - 2006	Honda	RIDGELINE PAB (HAH)
1	2002 - 2003	Infiniti	QX4 PAB (HAH)
1	2007 - 2007	Lexus	SC430 PAB (HAH)
1	2003 - 2008	Mazda	Mazda6 DAB (HAH)
1	2003 - 2008	Mazda	Mazda6 PAB (HAH)
1	2004 - 2008	Mazda	RX8 DAB (HAH)
1	2004 - 2004	Mazda	RX8 PAB (HAH)
1	2006 - 2007	Mazda	Speed6 DAB (HAH)
1	2006 - 2007	Mazda	Speed6 PAB (HAH)
1	2004 - 2006	Mitsubishi	Lancer Evolution PAB (HAH)
1	2004 - 2006	Mitsubishi	Lancer PAB (HAH)
1	2004 - 2004	Mitsubishi	Lancer Sportback PAB (HAH)
1	2002 - 2003	Nissan	Pathfinder PAB (HAH)
1	2002 - 2003	Nissan	Sentra PAB (HAH)
1	2003 - 2007	Pontiac	Vibe PAB (HAH)
1	2004 - 2005	Subaru	Impreza/WRX/STI PAB (HAH)
1	2005 - 2008	Subaru	Legacy/Outback PAB (HAH)
1	2003 - 2007	Toyota	Corolla PAB (HAH)
1	2003 - 2007	Toyota	Matrix PAB (HAH)
1	2005 - 2007	Toyota	Sequoia PAB (HAH)
1	2005 - 2006	Toyota	Tundra PAB (HAH)

PG	Model Years	Make	Model, Inflator Position & (Zone)
2	2003 - 2006	Acura	MDX DAB (HAH)
2	2003 - 2006	Acura	MDX DAB (Non-HAH)
2	2003 - 2005	Acura	MDX PAB (HAH)
2	2003 - 2005	Acura	MDX PAB (Non-HAH)
2	2002 - 2006	BMW	3 Series, M3 DAB (Non-HAH)
2	2000 - 2001	BMW	3 Series, M3 PAB (HAH)
2	2002 - 2006	BMW	3 Series, M3 PAB (Non-HAH)
2	2002 - 2003	BMW	5 Series, M5 DAB (HAH)
2	2002 - 2003	BMW	5 Series, M5 DAB (Non-HAH)
2	2003 - 2004	BMW	X5 SAV DAB (HAH)
2	2003 - 2004	BMW	X5 SAV DAB (Non-HAH)
2	2007 - 2008	Chevrolet/GMC	Silverado/Sierra HD PAB (HAH)
2	2009 - 2010	Chrysler	300, 300C, SRT8 DAB (HAH)
2	2006 - 2010	Chrysler	300, 300C, SRT8 DAB (Non-HAH)
2	2007 - 2008	Chrysler	Aspen DAB (HAH)
2	2007 - 2008	Chrysler	Aspen DAB (Non-HAH)
2	2009 - 2010	Dodge	Challenger DAB (HAH)
2	2008 - 2010	Dodge	Challenger DAB (Non-HAH)
2	2009 - 2010	Dodge	Charger DAB (HAH)
2	2006 - 2010	Dodge	Charger DAB (Non-HAH)
2	2006 - 2011	Dodge	Dakota Pickup DAB (HAH)
2	2005 - 2011	Dodge	Dakota Pickup DAB (Non-HAH)
2	2006 - 2008	Dodge	Durango DAB (HAH)
2	2004 - 2008	Dodge	Durango DAB (Non-HAH)
2	2006 - 2008	Dodge	Magnum DAB (Non-HAH)
2	2006 - 2009	Dodge	RAM 1500, 2500, 3500 Pickup DAB (HAH)
2	2004 - 2009	Dodge	RAM 1500, 2500, 3500 Pickup DAB (Non-HAH)
2	2003 - 2003	Dodge	RAM 1500, 2500, 3500 Pickup PAB (HAH)
2	2003 - 2003	Dodge	RAM 1500, 2500, 3500 Pickup PAB (Non-HAH)
2	2007 - 2009	Dodge	RAM 3500 Cab Chassis DAB (HAH)
2	2007 - 2009	Dodge	RAM 3500 Cab Chassis DAB (Non-HAH)
2	2006 - 2009	Dodge	RAM 3500 Pickup DAB (HAH)
2	2006 - 2009	Dodge	RAM 3500 Pickup DAB (Non-HAH)
2	2008 - 2010	Dodge	RAM 4500, 5500 Cab Chassis DAB (HAH)
2	2008 - 2010	Dodge	RAM 4500, 5500 Cab Chassis DAB (Non-HAH)
2	2007 - 2008	Dodge	Sprinter PAB (Non-HAH)
2	2005 - 2006	Ford	GT DAB (HAH)
2	2005 - 2006	Ford	GT DAB (Non-HAH)
2	2009 - 2014	Ford	Mustang DAB (HAH)
2	2005 - 2008	Ford	Mustang DAB (Non-HAH)
2	2006 - 2006	Ford	Ranger PAB (HAH)
2	2007 - 2008	Freightliner	Sprinter PAB (Non-HAH)

PG	Model Years	Make	Model, Inflator Position & (Zone)
2	2004 - 2007	Honda	ACCORD DAB (HAH)
2	2004 - 2007	Honda	ACCORD DAB (Non-HAH)
2	2004 - 2007	Honda	ACCORD PAB (HAH)
2	2004 - 2007	Honda	ACCORD PAB (Non-HAH)
2	2004 - 2005	Honda	CIVIC DAB (Non-HAH)
2	2004 - 2005	Honda	CIVIC HYBRID DAB (Non-HAH)
2	2004 - 2005	Honda	CIVIC HYBRID PAB (Non-HAH)
2	2004 - 2005	Honda	CIVIC NGV DAB (Non-HAH)
2	2004 - 2005	Honda	CIVIC NGV PAB (Non-HAH)
2	2004 - 2005	Honda	CIVIC PAB (Non-HAH)
2	2003 - 2006	Honda	CR-V DAB (Non-HAH)
2	2003 - 2005	Honda	CR-V PAB (Non-HAH)
2	2007 - 2011	Honda	ELEMENT DAB (HAH)
2	2003 - 2007	Honda	ELEMENT DAB (Non-HAH)
2	2003 - 2004	Honda	ELEMENT PAB (Non-HAH)
2	2003 - 2004	Honda	ODYSSEY DAB (HAH)
2	2002 - 2004	Honda	ODYSSEY DAB (Non-HAH)
2	2003 - 2004	Honda	ODYSSEY PAB (HAH)
2	2002 - 2004	Honda	ODYSSEY PAB (Non-HAH)
2	2004 - 2004	Honda	PILOT PAB (HAH)
2	2006 - 2006	Honda	RIDGELINE DAB (Non-HAH)
2	2006 - 2006	Honda	RIDGELINE PAB (Non-HAH)
2	2003 - 2003	Infiniti	FX35 PAB (HAH)
2	2003 - 2003	Infiniti	FX45 PAB (HAH)
2	2001 - 2001	Infiniti	I30 PAB (HAH)
2	2002 - 2003	Infiniti	I35 PAB (HAH)
2	2002 - 2003	Infiniti	QX4 PAB (Non-HAH)
2	2007 - 2007	Lexus	SC430 PAB (Non-HAH)
2	2004 - 2006	Mazda	B-Series PAB (HAH)
2	2003 - 2008	Mazda	Mazda6 DAB (Non-HAH)
2	2003 - 2008	Mazda	Mazda6 PAB (Non-HAH)
2	2004 - 2005	Mazda	MPV PAB (HAH)
2	2004 - 2004	Mazda	RX8 DAB (Non-HAH)
2	2005 - 2005	Mazda	RX8 PAB (HAH)
2	2004 - 2004	Mazda	RX8 PAB (Non-HAH)
2	2006 - 2007	Mazda	Speed6 DAB (Non-HAH)
2	2006 - 2007	Mazda	Speed6 PAB (Non-HAH)
2	2004 - 2006	Mitsubishi	Lancer Evolution PAB (Non-HAH)
2	2004 - 2006	Mitsubishi	Lancer PAB (Non-HAH)
2	2004 - 2004	Mitsubishi	Lancer Sportback PAB (Non-HAH)
2	2006 - 2009	Mitsubishi	Raider DAB (HAH)
2	2006 - 2009	Mitsubishi	Raider DAB (Non-HAH)

PG	Model Years	Make	Model, Inflator Position & (Zone)
2	2001 - 2003	Nissan	Maxima PAB (HAH)
2	2004 - 2004	Nissan	Pathfinder PAB (HAH)
2	2002 - 2004	Nissan	Pathfinder PAB (Non-HAH)
2	2004 - 2006	Nissan	Sentra PAB (HAH)
2	2002 - 2006	Nissan	Sentra PAB (Non-HAH)
2	2003 - 2007	Pontiac	Vibe PAB (Non-HAH)
2	2008 - 2009	Sterling	Bullet DAB (HAH)
2	2008 - 2009	Sterling	Bullet DAB (Non-HAH)
2	2005 - 2005	Subaru	Baja PAB (HAH)
2	2003 - 2004	Subaru	Legacy/Outback/Baja PAB (HAH)
2	2003 - 2007	Toyota	Corolla PAB (Non-HAH)
2	2003 - 2007	Toyota	Matrix PAB (Non-HAH)
2	2004 - 2005	Toyota	RAV4 DAB (HAH)
2	2004 - 2005	Toyota	RAV4 DAB (Non-HAH)
2	2002 - 2004	Toyota	Sequoia PAB (HAH)
2	2005 - 2007	Toyota	Sequoia PAB (Non-HAH)
2	2003 - 2004	Toyota	Tundra PAB (HAH)
2	2005 - 2006	Toyota	Tundra PAB (Non-HAH)

PG	Model Years	Make	Model, Inflator Position & (Zone)
3	2005 - 2005	Acura	RL PAB (HAH)
3	2005 - 2005	Acura	RL PAB (Non-HAH)
3	2000 - 2001	BMW	3 Series, M3 PAB (Non-HAH)
3	2007 - 2008	Chevrolet/GMC	Silverado/Sierra HD PAB (Non-HAH)
3	2005 - 2006	Ford	GT DAB (Non-HAH)
3	2005 - 2008	Ford	Mustang DAB (HAH)
3	2005 - 2014	Ford	Mustang DAB (Non-HAH)
3	2004 - 2006	Ford	Ranger PAB (Non-HAH)
3	2005 - 2005	GM-Saab	9-2X PAB (Non-HAH)
3	2008 - 2011	Honda	ELEMENT DAB (Non-HAH)
3	2004 - 2005	Infiniti	FX35 PAB (HAH)
3	2003 - 2003	Infiniti	FX35 PAB (Non-HAH)
3	2004 - 2005	Infiniti	FX45 PAB (HAH)
3	2003 - 2003	Infiniti	FX45 PAB (Non-HAH)
3	2001 - 2001	Infiniti	I30 PAB (Non-HAH)
3	2004 - 2004	Infiniti	I35 PAB (HAH)
3	2002 - 2003	Infiniti	I35 PAB (Non-HAH)
3	2006 - 2006	Infiniti	M45 PAB (HAH)
3	2002 - 2006	Lexus	SC430 PAB (HAH)
3	2002 - 2006	Lexus	SC430 PAB (Non-HAH)
3	2004 - 2006	Mazda	B-Series PAB (Non-HAH)
3	2004 - 2008	Mazda	RX8 DAB (Non-HAH)
3	2004 - 2004	Mazda	RX8 PAB (Non-HAH)
3	2001 - 2003	Nissan	Maxima PAB (Non-HAH)
3	2004 - 2005	Subaru	Impreza/WRX/STI PAB (Non-HAH)
3	2005 - 2008	Subaru	Legacy/Outback PAB (Non-HAH)
3	2003 - 2004	Subaru	Legacy/Outback/Baja PAB (Non-HAH)
3	2002 - 2004	Toyota	Sequoia PAB (Non-HAH)
3	2003 - 2004	Toyota	Tundra PAB (Non-HAH)

PG	Model Years	Make	Model, Inflator Position & (Zone)
4	2003 - 2006	Acura	MDX PAB (A)
4	2003 - 2006	Acura	MDX PAB (Non-A)
4	2007 - 2009	Acura	RDX DAB (A)
4	2005 - 2011	Acura	RL DAB (A)
4	2005 - 2009	Acura	RL DAB (Non-A)
4	2005 - 2011	Acura	RL PAB (A)
4	2005 - 2009	Acura	RL PAB (Non-A)
4	2009 - 2009	Acura	TL DAB (A)
4	2009 - 2009	Acura	TSX PAB (A)
4	2010 - 2011	Acura	ZDX DAB (A)
4	2010 - 2011	Acura	ZDX PAB (A)
4	2006 - 2009	Audi	A3 DAB (A)
4	2007 - 2009	Audi	A4 Cabriolet DAB (A)
4	2009 - 2009	Audi	Audi Q5 DAB (A)
4	2008 - 2008	Audi	RS 4 Cabriolet DAB (A)
4	2007 - 2009	Audi	S4 Cabriolet DAB (A)
4	2008 - 2009	BMW	1 Series DAB (A)
4	2006 - 2009	BMW	3 Series DAB (A)
4	2007 - 2009	BMW	X3 DAB (A)
4	2007 - 2009	BMW	X5 DAB (A)
4	2007 - 2009	BMW	X5 PAB (A)
4	2008 - 2009	BMW	X6 DAB (A)
4	2008 - 2009	BMW	X6 PAB (A)
4	2005 - 2012	Chrysler	300 PAB (A)
4	2007 - 2009	Chrysler	Aspen PAB (A)
4	2007 - 2008	Chrysler	Crossfire DAB (A)
4	2008 - 2012	Dodge	Challenger PAB (A)
4	2008 - 2009	Dodge	Challenger PAB (Non-A)
4	2006 - 2012	Dodge	Charger PAB (A)
4	2005 - 2011	Dodge	Dakota PAB (A)
4	2004 - 2009	Dodge	Durango PAB (A)
4	2005 - 2008	Dodge	Magnum PAB (A)
4	2005 - 2008	Dodge	Magnum PAB (Non-A)
4	2004 - 2008	Dodge	Ram 1500/2500/3500 Pickup PAB (A)
4	2005 - 2009	Dodge	Ram 2500 Pickup PAB (A)
4	2007 - 2010	Dodge	Ram 3500 Cab Chassis PAB (A)
4	2006 - 2009	Dodge	Ram 3500 Pickup PAB (A)
4	2008 - 2010	Dodge	Ram 4500/5500 Cab Chassis PAB (A)
4	2009 - 2009	Dodge	Sprinter PAB (A)
4	2009 - 2009	Dodge	Sprinter PAB (Non-A)
4	2009 - 2009	Ferrari	California PAB (A)
4	2005 - 2006	Ford	GT PAB (A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
4	2005 - 2006	Ford	GT PAB (Non-A)
4	2005 - 2011	Ford	Mustang PAB (A)
4	2005 - 2008	Ford	Mustang PAB (Non-A)
4	2004 - 2006	Ford	Ranger DAB (A)
4	2004 - 2006	Ford	Ranger DAB (Non-A)
4	2007 - 2009	Freightliner	Sprinter DAB (A)
4	2007 - 2009	Freightliner	Sprinter DAB (Non-A)
4	2009 - 2009	Freightliner	Sprinter PAB (A)
4	2009 - 2009	Freightliner	Sprinter PAB (Non-A)
4	2008 - 2009	Honda	ACCORD PAB (A)
4	2006 - 2009	Honda	CIVIC HYBRID PAB (A)
4	2006 - 2009	Honda	CIVIC NGV PAB (A)
4	2006 - 2009	Honda	CIVIC PAB (A)
4	2007 - 2011	Honda	CR-V DAB (A)
4	2007 - 2009	Honda	CR-V DAB (Non-A)
4	2005 - 2011	Honda	CR-V PAB (A)
4	2005 - 2009	Honda	CR-V PAB (Non-A)
4	2003 - 2011	Honda	ELEMENT PAB (A)
4	2003 - 2009	Honda	ELEMENT PAB (Non-A)
4	2010 - 2011	Honda	FCX CLARITY DAB (A)
4	2010 - 2011	Honda	FCX CLARITY PAB (A)
4	2009 - 2011	Honda	FIT DAB (A)
4	2009 - 2009	Honda	FIT DAB (Non-A)
4	2007 - 2011	Honda	FIT PAB (A)
4	2009 - 2009	Honda	FIT PAB (Non-A)
4	2010 - 2011	Honda	INSIGHT DAB (A)
4	2010 - 2011	Honda	INSIGHT PAB (A)
4	2002 - 2004	Honda	ODYSSEY PAB (A)
4	2002 - 2004	Honda	ODYSSEY PAB (Non-A)
4	2003 - 2009	Honda	PILOT PAB (A)
4	2003 - 2008	Honda	PILOT PAB (Non-A)
4	2007 - 2011	Honda	RIDGELINE DAB (A)
4	2007 - 2009	Honda	RIDGELINE DAB (Non-A)
4	2006 - 2011	Honda	RIDGELINE PAB (A)
4	2006 - 2009	Honda	RIDGELINE PAB (Non-A)
4	2009 - 2009	Jaguar	XF PAB (A)
4	2007 - 2012	Jeep	Wrangler PAB (A)
4	2007 - 2009	Land Rover	Range Rover PAB (A)
4	2007 - 2009	Lexus	ES350 PAB (A)
4	2008 - 2009	Lexus	IS F PAB (A)
4	2006 - 2009	Lexus	IS250 PAB (A)
4	2006 - 2009	Lexus	IS350 PAB (A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
4	2004 - 2006	Mazda	B-Series DAB (A)
4	2004 - 2006	Mazda	B-Series DAB (Non-A)
4	2003 - 2008	Mazda	Mazda6 PAB (A)
4	2006 - 2007	Mazda	Mazdaspeed6 PAB (A)
4	2004 - 2008	Mazda	RX8 PAB (A)
4	2005 - 2009	Mercedes-Benz	C-Class DAB (A)
4	2008 - 2009	Mercedes-Benz	C-Class PAB (A)
4	2009 - 2009	Mercedes-Benz	GL-Class DAB (A)
4	2009 - 2009	Mercedes-Benz	ML-Class DAB (A)
4	2009 - 2009	Mercedes-Benz	R-Class DAB (A)
4	2007 - 2008	Mercedes-Benz	SLK-Class DAB (A)
4	2006 - 2007	Mitsubishi	Lancer PAB (A)
4	2006 - 2009	Mitsubishi	Raider PAB (A)
4	2007 - 2009	Nissan	Versa Hatchback PAB (A)
4	2007 - 2009	Nissan	Versa Sedan PAB (A)
4	2009 - 2009	Pontiac	Vibe PAB (A)
4	2006 - 2009	Saab	9-3 DAB (A)
4	2006 - 2009	Saab	9-5 DAB (A)
4	2008 - 2009	Saturn	Astra DAB (A)
4	2008 - 2009	Scion	xB PAB (A)
4	2008 - 2009	Sterling	Bullet DAB (A)
4	2008 - 2009	Sterling	Bullet DAB (Non-A)
4	2003 - 2005	Subaru	Baja PAB (A)
4	2003 - 2004	Subaru	Legacy PAB (A)
4	2003 - 2004	Subaru	Outback PAB (A)
4	2009 - 2009	Toyota	Corolla Matrix PAB (A)
4	2009 - 2009	Toyota	Corolla PAB (A)
4	2006 - 2009	Toyota	Yaris HB PAB (A)
4	2007 - 2009	Toyota	Yaris PAB (A)
4	2009 - 2009	Volkswagen	CC DAB (A)
4	2009 - 2009	Volkswagen	GTI DAB (A)
4	2006 - 2008	Volkswagen	Passat Sedan DAB (A)
4	2007 - 2008	Volkswagen	Passat Wagon DAB (A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
5	2013 - 2016	Acura	ILX DAB (A)
5	2013 - 2014	Acura	ILX HYBRID DAB (A)
5	2010 - 2016	Acura	RDX DAB (A)
5	2007 - 2009	Acura	RDX DAB (Non-A)
5	2012 - 2012	Acura	RL DAB (A)
5	2010 - 2011	Acura	RL DAB (Non-A)
5	2010 - 2011	Acura	RL PAB (Non-A)
5	2010 - 2014	Acura	TL DAB (A)
5	2009 - 2009	Acura	TL DAB (Non-A)
5	2010 - 2011	Acura	TSX PAB (A)
5	2009 - 2009	Acura	TSX PAB (Non-A)
5	2012 - 2013	Acura	ZDX DAB (A)
5	2010 - 2011	Acura	ZDX DAB (Non-A)
5	2010 - 2011	Acura	ZDX PAB (Non-A)
5	2010 - 2013	Audi	A3 DAB (A)
5	2006 - 2009	Audi	A3 DAB (Non-A)
5	2005 - 2008	Audi	A4 Avant PAB (A)
5	2007 - 2009	Audi	A4 Cabriolet DAB (Non-A)
5	2007 - 2009	Audi	A4 Cabriolet PAB (A)
5	2005 - 2008	Audi	A4 Sedan PAB (A)
5	2010 - 2012	Audi	A5 Cabriolet DAB (A)
5	2006 - 2009	Audi	A6 Avant PAB (A)
5	2005 - 2009	Audi	A6 Sedan PAB (A)
5	2010 - 2012	Audi	Audi Q5 DAB (A)
5	2009 - 2009	Audi	Audi Q5 DAB (Non-A)
5	2008 - 2008	Audi	RS 4 Cabriolet DAB (Non-A)
5	2008 - 2008	Audi	RS 4 Cabriolet PAB (A)
5	2007 - 2008	Audi	RS 4 Sedan PAB (A)
5	2005 - 2008	Audi	S4 Avant PAB (A)
5	2007 - 2009	Audi	S4 Cabriolet DAB (Non-A)
5	2007 - 2009	Audi	S4 Cabriolet PAB (A)
5	2005 - 2008	Audi	S4 Sedan PAB (A)
5	2010 - 2012	Audi	S5 Cabriolet DAB (A)
5	2007 - 2009	Audi	S6 Sedan PAB (A)
5	2010 - 2013	BMW	1 Series DAB (A)
5	2008 - 2009	BMW	1 Series DAB (Non-A)
5	2010 - 2013	BMW	3 Series DAB (A)
5	2006 - 2009	BMW	3 Series DAB (Non-A)
5	2013 - 2015	BMW	X1 DAB (A)
5	2010 - 2010	BMW	X3 DAB (A)
5	2007 - 2009	BMW	X3 DAB (Non-A)
5	2010 - 2011	BMW	X5 DAB (A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
5	2007 - 2009	BMW	X5 DAB (Non-A)
5	2010 - 2011	BMW	X5 PAB (A)
5	2007 - 2008	BMW	X5 PAB (Non-A)
5	2010 - 2011	BMW	X6 DAB (A)
5	2008 - 2009	BMW	X6 DAB (Non-A)
5	2010 - 2011	BMW	X6 Hybrid DAB (A)
5	2010 - 2011	BMW	X6 Hybrid PAB (A)
5	2010 - 2011	BMW	X6 PAB (A)
5	2008 - 2008	BMW	X6 PAB (Non-A)
5	2005 - 2012	Chrysler	300 PAB (Non-A)
5	2007 - 2009	Chrysler	Aspen PAB (Non-A)
5	2007 - 2008	Chrysler	Crossfire DAB (Non-A)
5	2010 - 2012	Dodge	Challenger PAB (Non-A)
5	2006 - 2012	Dodge	Charger PAB (Non-A)
5	2005 - 2011	Dodge	Dakota PAB (Non-A)
5	2004 - 2009	Dodge	Durango PAB (Non-A)
5	2004 - 2008	Dodge	Ram 1500/2500/3500 Pickup PAB (Non-A)
5	2005 - 2009	Dodge	Ram 2500 Pickup PAB (Non-A)
5	2007 - 2010	Dodge	Ram 3500 Cab Chassis PAB (Non-A)
5	2006 - 2009	Dodge	Ram 3500 Pickup PAB (Non-A)
5	2008 - 2010	Dodge	Ram 4500/5500 Cab Chassis PAB (Non-A)
5	2010 - 2011	Ferrari	458 Italia PAB (A)
5	2010 - 2011	Ferrari	California PAB (A)
5	2007 - 2009	Ford	Edge PAB (A)
5	2006 - 2009	Ford	Fusion PAB (A)
5	2007 - 2009	Ford	Ranger PAB (A)
5	2010 - 2012	Freightliner	Sprinter DAB (A)
5	2010 - 2012	Freightliner	Sprinter DAB (Non-A)
5	2010 - 2011	Freightliner	Sprinter PAB (A)
5	2010 - 2011	Freightliner	Sprinter PAB (Non-A)
5	2010 - 2011	Honda	ACCORD PAB (A)
5	2008 - 2009	Honda	ACCORD PAB (Non-A)
5	2010 - 2011	Honda	CIVIC HYBRID PAB (A)
5	2006 - 2009	Honda	CIVIC HYBRID PAB (Non-A)
5	2010 - 2011	Honda	CIVIC NGV PAB (A)
5	2006 - 2009	Honda	CIVIC NGV PAB (Non-A)
5	2010 - 2011	Honda	CIVIC PAB (A)
5	2006 - 2009	Honda	CIVIC PAB (Non-A)
5	2010 - 2011	Honda	CROSSTOUR PAB (A)
5	2010 - 2011	Honda	CR-V DAB (Non-A)
5	2010 - 2011	Honda	CR-V PAB (Non-A)
5	2011 - 2015	Honda	CR-Z DAB (A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
5	2010 - 2011	Honda	ELEMENT PAB (Non-A)
5	2012 - 2014	Honda	FCX CLARITY DAB (A)
5	2012 - 2013	Honda	FIT DAB (A)
5	2010 - 2011	Honda	FIT DAB (Non-A)
5	2013 - 2014	Honda	FIT EV DAB (A)
5	2007 - 2011	Honda	FIT PAB (Non-A)
5	2012 - 2014	Honda	INSIGHT DAB (A)
5	2010 - 2011	Honda	INSIGHT DAB (Non-A)
5	2010 - 2011	Honda	INSIGHT PAB (Non-A)
5	2010 - 2011	Honda	PILOT PAB (A)
5	2009 - 2009	Honda	PILOT PAB (Non-A)
5	2012 - 2014	Honda	RIDGELINE DAB (A)
5	2010 - 2011	Honda	RIDGELINE DAB (Non-A)
5	2010 - 2011	Honda	RIDGELINE PAB (Non-A)
5	2003 - 2005	Infiniti	FX PAB (A)
5	2003 - 2004	Infiniti	I35 PAB (A)
5	2010 - 2010	Jaguar	XF PAB (A)
5	2007 - 2012	Jeep	Wrangler PAB (Non-A)
5	2010 - 2010	Land Rover	Range Rover PAB (A)
5	2007 - 2008	Land Rover	Range Rover PAB (Non-A)
5	2010 - 2010	Lexus	ES350 PAB (A)
5	2007 - 2008	Lexus	ES350 PAB (Non-A)
5	2010 - 2010	Lexus	GX460 PAB (A)
5	2010 - 2010	Lexus	IS F PAB (A)
5	2008 - 2008	Lexus	IS F PAB (Non-A)
5	2010 - 2010	Lexus	IS250 PAB (A)
5	2006 - 2008	Lexus	IS250 PAB (Non-A)
5	2010 - 2010	Lexus	IS250C PAB (A)
5	2010 - 2010	Lexus	IS350 PAB (A)
5	2006 - 2008	Lexus	IS350 PAB (Non-A)
5	2010 - 2010	Lexus	IS350C PAB (A)
5	2007 - 2009	Lincoln	MKX PAB (A)
5	2006 - 2009	Lincoln	Zephyr/MKZ PAB (A)
5	2007 - 2009	Mazda	B-Series PAB (A)
5	2007 - 2009	Mazda	CX7 PAB (A)
5	2007 - 2009	Mazda	CX9 PAB (A)
5	2009 - 2009	Mazda	Mazda6 PAB (A)
5	2003 - 2008	Mazda	Mazda6 PAB (Non-A)
5	2006 - 2007	Mazda	Mazdaspeed6 PAB (Non-A)
5	2004 - 2006	Mazda	MPV PAB (A)
5	2009 - 2009	Mazda	RX8 PAB (A)
5	2004 - 2008	Mazda	RX8 PAB (Non-A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
5	2010 - 2011	Mercedes-Benz	C-Class DAB (A)
5	2005 - 2009	Mercedes-Benz	C-Class DAB (Non-A)
5	2010 - 2011	Mercedes-Benz	C-Class PAB (A)
5	2008 - 2008	Mercedes-Benz	C-Class PAB (Non-A)
5	2011 - 2011	Mercedes-Benz	E-Class Cabrio DAB (A)
5	2011 - 2011	Mercedes-Benz	E-Class Cabrio PAB (A)
5	2010 - 2011	Mercedes-Benz	E-Class Coupe DAB (A)
5	2010 - 2011	Mercedes-Benz	E-Class Coupe PAB (A)
5	2010 - 2011	Mercedes-Benz	E-Class DAB (A)
5	2010 - 2012	Mercedes-Benz	GL-Class DAB (A)
5	2009 - 2009	Mercedes-Benz	GL-Class DAB (Non-A)
5	2010 - 2012	Mercedes-Benz	GLK Class DAB (A)
5	2010 - 2011	Mercedes-Benz	GLK Class PAB (A)
5	2010 - 2011	Mercedes-Benz	ML-Class DAB (A)
5	2009 - 2009	Mercedes-Benz	ML-Class DAB (Non-A)
5	2010 - 2012	Mercedes-Benz	R-Class DAB (A)
5	2009 - 2009	Mercedes-Benz	R-Class DAB (Non-A)
5	2007 - 2008	Mercedes-Benz	SLK-Class DAB (Non-A)
5	2011 - 2014	Mercedes-Benz	SLS-Class DAB (A)
5	2011 - 2011	Mercedes-Benz	SLS-Class DAB (Non-A)
5	2011 - 2011	Mercedes-Benz	SLS-Class PAB (A)
5	2010 - 2012	Mercedes-Benz	Sprinter DAB (A)
5	2010 - 2012	Mercedes-Benz	Sprinter DAB (Non-A)
5	2010 - 2011	Mercedes-Benz	Sprinter PAB (A)
5	2010 - 2011	Mercedes-Benz	Sprinter PAB (Non-A)
5	2006 - 2009	Mercury	Milan PAB (A)
5	2006 - 2007	Mitsubishi	Lancer PAB (Non-A)
5	2006 - 2009	Mitsubishi	Raider PAB (Non-A)
5	2010 - 2011	Nissan	Versa Hatchback PAB (A)
5	2007 - 2008	Nissan	Versa Hatchback PAB (Non-A)
5	2010 - 2011	Nissan	Versa Sedan PAB (A)
5	2007 - 2008	Nissan	Versa Sedan PAB (Non-A)
5	2010 - 2010	Pontiac	Vibe PAB (A)
5	2006 - 2006	Saab	9-2X PAB (A)
5	2006 - 2009	Saab	9-3 DAB (Non-A)
5	2006 - 2009	Saab	9-5 DAB (Non-A)
5	2008 - 2009	Saturn	Astra DAB (Non-A)
5	2010 - 2010	Scion	xB PAB (A)
5	2008 - 2008	Scion	xB PAB (Non-A)
5	2006 - 2006	Subaru	Baja PAB (A)
5	2003 - 2005	Subaru	Baja PAB (Non-A)
5	2009 - 2009	Subaru	Forester PAB (A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
5	2006 - 2009	Subaru	Impreza PAB (A)
5	2009 - 2009	Subaru	Legacy PAB (A)
5	2003 - 2004	Subaru	Legacy PAB (Non-A)
5	2009 - 2009	Subaru	Outback PAB (A)
5	2003 - 2004	Subaru	Outback PAB (Non-A)
5	2006 - 2009	Subaru	Tribeca PAB (A)
5	2010 - 2010	Toyota	4Runner PAB (A)
5	2010 - 2010	Toyota	Corolla Matrix PAB (A)
5	2010 - 2010	Toyota	Corolla PAB (A)
5	2010 - 2010	Toyota	Yaris HB PAB (A)
5	2007 - 2008	Toyota	Yaris HB PAB (Non-A)
5	2010 - 2010	Toyota	Yaris PAB (A)
5	2007 - 2008	Toyota	Yaris PAB (Non-A)
5	2010 - 2014	Volkswagen	CC DAB (A)
5	2009 - 2009	Volkswagen	CC DAB (Non-A)
5	2010 - 2014	Volkswagen	Eos DAB (A)
5	2010 - 2014	Volkswagen	Golf DAB (A)
5	2013 - 2013	Volkswagen	Golf R DAB (A)
5	2010 - 2013	Volkswagen	GTI DAB (A)
5	2012 - 2014	Volkswagen	Passat DAB (A)
5	2010 - 2010	Volkswagen	Passat Sedan DAB (A)
5	2006 - 2009	Volkswagen	Passat Sedan DAB (Non-A)
5	2010 - 2010	Volkswagen	Passat Wagon DAB (A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
6	2013 - 2016	Acura	ILX DAB (Non-A)
6	2013 - 2014	Acura	ILX HYBRID DAB (Non-A)
6	2010 - 2016	Acura	RDX DAB (Non-A)
6	2012 - 2012	Acura	RL DAB (Non-A)
6	2010 - 2014	Acura	TL DAB (Non-A)
6	2010 - 2011	Acura	TSX PAB (Non-A)
6	2012 - 2013	Acura	ZDX DAB (Non-A)
6	2010 - 2013	Audi	A3 DAB (Non-A)
6	2005 - 2008	Audi	A4 Avant PAB (Non-A)
6	2007 - 2008	Audi	A4 Cabriolet PAB (Non-A)
6	2005 - 2008	Audi	A4 Sedan PAB (Non-A)
6	2010 - 2012	Audi	A5 Cabriolet DAB (Non-A)
6	2010 - 2011	Audi	A6 Avant PAB (A)
6	2006 - 2008	Audi	A6 Avant PAB (Non-A)
6	2010 - 2011	Audi	A6 Sedan PAB (A)
6	2005 - 2008	Audi	A6 Sedan PAB (Non-A)
6	2010 - 2012	Audi	Audi Q5 DAB (Non-A)
6	2008 - 2008	Audi	RS 4 Cabriolet PAB (Non-A)
6	2007 - 2008	Audi	RS 4 Sedan PAB (Non-A)
6	2005 - 2008	Audi	S4 Avant PAB (Non-A)
6	2007 - 2008	Audi	S4 Cabriolet PAB (Non-A)
6	2005 - 2008	Audi	S4 Sedan PAB (Non-A)
6	2010 - 2012	Audi	S5 Cabriolet DAB (Non-A)
6	2010 - 2011	Audi	S6 Sedan PAB (A)
6	2007 - 2008	Audi	S6 Sedan PAB (Non-A)
6	2010 - 2013	BMW	1 Series DAB (Non-A)
6	2010 - 2013	BMW	3 Series DAB (Non-A)
6	2013 - 2015	BMW	X1 DAB (Non-A)
6	2010 - 2010	BMW	X3 DAB (Non-A)
6	2012 - 2013	BMW	X5 DAB (A)
6	2010 - 2013	BMW	X5 DAB (Non-A)
6	2012 - 2014	BMW	X6 DAB (A)
6	2010 - 2014	BMW	X6 DAB (Non-A)
6	2010 - 2011	BMW	X6 Hybrid DAB (Non-A)
6	2007 - 2011	Cadillac	Escalade ESV PAB (A)
6	2007 - 2008	Cadillac	Escalade ESV PAB (Non-A)
6	2007 - 2011	Cadillac	Escalade EXT PAB (A)
6	2007 - 2008	Cadillac	Escalade EXT PAB (Non-A)
6	2007 - 2011	Cadillac	Escalade PAB (A)
6	2007 - 2008	Cadillac	Escalade PAB (Non-A)
6	2007 - 2011	Chevrolet	Avalanche PAB (A)
6	2007 - 2008	Chevrolet	Avalanche PAB (Non-A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
6	2009 - 2011	Chevrolet	Silverado HD PAB (A)
6	2007 - 2011	Chevrolet	Silverado LD PAB (A)
6	2007 - 2008	Chevrolet	Silverado LD PAB (Non-A)
6	2007 - 2011	Chevrolet	Suburban PAB (A)
6	2007 - 2008	Chevrolet	Suburban PAB (Non-A)
6	2007 - 2011	Chevrolet	Tahoe PAB (A)
6	2007 - 2008	Chevrolet	Tahoe PAB (Non-A)
6	2010 - 2011	Ferrari	458 Italia PAB (Non-A)
6	2009 - 2011	Ferrari	California PAB (Non-A)
6	2010 - 2010	Ford	Edge PAB (A)
6	2007 - 2008	Ford	Edge PAB (Non-A)
6	2010 - 2011	Ford	Fusion PAB (A)
6	2006 - 2008	Ford	Fusion PAB (Non-A)
6	2010 - 2011	Ford	Ranger PAB (A)
6	2007 - 2008	Ford	Ranger PAB (Non-A)
6	2013 - 2014	Freightliner	Sprinter DAB (A)
6	2013 - 2014	Freightliner	Sprinter DAB (Non-A)
6	2009 - 2011	GMC	Sierra HD PAB (A)
6	2007 - 2011	GMC	Sierra LD PAB (A)
6	2007 - 2008	GMC	Sierra LD PAB (Non-A)
6	2007 - 2011	GMC	Yukon PAB (A)
6	2007 - 2008	GMC	Yukon PAB (Non-A)
6	2007 - 2011	GMC	Yukon XL PAB (A)
6	2007 - 2008	GMC	Yukon XL PAB (Non-A)
6	2010 - 2011	Honda	ACCORD PAB (Non-A)
6	2010 - 2011	Honda	CIVIC HYBRID PAB (Non-A)
6	2010 - 2011	Honda	CIVIC NGV PAB (Non-A)
6	2010 - 2011	Honda	CIVIC PAB (Non-A)
6	2010 - 2011	Honda	CROSSTOUR PAB (Non-A)
6	2011 - 2015	Honda	CR-Z DAB (Non-A)
6	2012 - 2013	Honda	FIT DAB (Non-A)
6	2013 - 2014	Honda	FIT EV DAB (Non-A)
6	2012 - 2014	Honda	INSIGHT DAB (Non-A)
6	2010 - 2011	Honda	PILOT PAB (Non-A)
6	2012 - 2014	Honda	RIDGELINE DAB (Non-A)
6	2006 - 2008	Infiniti	FX PAB (A)
6	2003 - 2008	Infiniti	FX PAB (Non-A)
6	2003 - 2004	Infiniti	I35 PAB (Non-A)
6	2006 - 2010	Infiniti	M PAB (A)
6	2006 - 2008	Infiniti	M PAB (Non-A)
6	2011 - 2011	Jaguar	XF PAB (A)
6	2011 - 2011	Land Rover	Range Rover PAB (A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
6	2011 - 2011	Lexus	ES350 PAB (A)
6	2011 - 2011	Lexus	GX460 PAB (A)
6	2011 - 2011	Lexus	IS F PAB (A)
6	2011 - 2011	Lexus	IS250 PAB (A)
6	2011 - 2011	Lexus	IS250C PAB (A)
6	2011 - 2011	Lexus	IS350 PAB (A)
6	2011 - 2011	Lexus	IS350C PAB (A)
6	2010 - 2010	Lincoln	MKX PAB (A)
6	2007 - 2008	Lincoln	MKX PAB (Non-A)
6	2010 - 2011	Lincoln	Zephyr/MKZ PAB (A)
6	2006 - 2008	Lincoln	Zephyr/MKZ PAB (Non-A)
6	2007 - 2008	Mazda	B-Series PAB (Non-A)
6	2010 - 2011	Mazda	CX7 PAB (A)
6	2007 - 2008	Mazda	CX7 PAB (Non-A)
6	2010 - 2011	Mazda	CX9 PAB (A)
6	2007 - 2008	Mazda	CX9 PAB (Non-A)
6	2010 - 2011	Mazda	Mazda6 PAB (A)
6	2004 - 2006	Mazda	MPV PAB (Non-A)
6	2010 - 2011	Mazda	RX8 PAB (A)
6	2010 - 2011	Mercedes-Benz	C-Class DAB (Non-A)
6	2011 - 2011	Mercedes-Benz	E-Class Cabrio DAB (A)
6	2010 - 2011	Mercedes-Benz	E-Class Coupe DAB (Non-A)
6	2010 - 2011	Mercedes-Benz	E-Class DAB (Non-A)
6	2010 - 2012	Mercedes-Benz	GL-Class DAB (Non-A)
6	2010 - 2012	Mercedes-Benz	GLK Class DAB (Non-A)
6	2010 - 2011	Mercedes-Benz	ML-Class DAB (Non-A)
6	2010 - 2012	Mercedes-Benz	R-Class DAB (Non-A)
6	2012 - 2014	Mercedes-Benz	SLS-Class DAB (Non-A)
6	2013 - 2014	Mercedes-Benz	Sprinter DAB (A)
6	2013 - 2014	Mercedes-Benz	Sprinter DAB (Non-A)
6	2010 - 2011	Mercury	Milan PAB (A)
6	2006 - 2008	Mercury	Milan PAB (Non-A)
6	2006 - 2006	Saab	9-2X PAB (Non-A)
6	2010 - 2011	Saab	9-3 DAB (A)
6	2010 - 2011	Saab	9-3 DAB (Non-A)
6	2011 - 2011	Scion	xB PAB (A)
6	2003 - 2004, 2006	Subaru	Baja PAB (Non-A)
6	2010 - 2011	Subaru	Forester PAB (A)
6	2010 - 2011	Subaru	Impreza PAB (A)
6	2006 - 2008	Subaru	Impreza PAB (Non-A)
6	2010 - 2011	Subaru	Legacy PAB (A)
6	2003 - 2004	Subaru	Legacy PAB (Non-A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
6	2010 - 2011	Subaru	Outback PAB (A)
6	2003 - 2004	Subaru	Outback PAB (Non-A)
6	2010 - 2011	Subaru	Tribeca PAB (A)
6	2006 - 2008	Subaru	Tribeca PAB (Non-A)
6	2011 - 2011	Toyota	4Runner PAB (A)
6	2011 - 2011	Toyota	Corolla Matrix PAB (A)
6	2011 - 2011	Toyota	Corolla PAB (A)
6	2011 - 2011	Toyota	Sienna PAB (A)
6	2011 - 2011	Toyota	Yaris HB PAB (A)
6	2011 - 2011	Toyota	Yaris PAB (A)
6	2010 - 2014	Volkswagen	CC DAB (Non-A)
6	2010 - 2014	Volkswagen	Eos DAB (Non-A)
6	2010 - 2014	Volkswagen	Golf DAB (Non-A)
6	2011 - 2013	Volkswagen	GTI DAB (Non-A)
6	2012 - 2014	Volkswagen	Passat DAB (Non-A)
6	2010 - 2010	Volkswagen	Passat Sedan DAB (Non-A)
6	2006 - 2008	Volkswagen	Passat Wagon DAB (Non-A)
6	2010 - 2010	Volkswagen	Passat Wagon DAB (Non-A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
7	2012 - 2012	Acura	RL PAB (A)
7	2012 - 2012	Acura	TSX PAB (A)
7	2012 - 2012	Acura	ZDX PAB (A)
7	2012 - 2012	BMW	X5 PAB (A)
7	2012 - 2012	BMW	X6 PAB (A)
7	2012 - 2012	Cadillac	Escalade ESV PAB (A)
7	2012 - 2012	Cadillac	Escalade EXT PAB (A)
7	2012 - 2012	Cadillac	Escalade PAB (A)
7	2012 - 2012	Chevrolet	Avalanche PAB (A)
7	2012 - 2012	Chevrolet	Silverado HD PAB (A)
7	2012 - 2012	Chevrolet	Silverado LD PAB (A)
7	2012 - 2012	Chevrolet	Suburban PAB (A)
7	2012 - 2012	Chevrolet	Tahoe PAB (A)
7	2012 - 2012	Ferrari	458 Italia PAB (A)
7	2012 - 2012	Ferrari	458 Spider PAB (A)
7	2012 - 2012	Ferrari	California PAB (A)
7	2012 - 2012	Ferrari	FF PAB (A)
7	2012 - 2012	Fisker	Karma PAB (A)
7	2012 - 2012	Ford	Fusion PAB (A)
7	2012 - 2012	Ford	Mustang PAB (A)
7	2012 - 2012	GMC	Sierra HD PAB (A)
7	2012 - 2012	GMC	Sierra LD PAB (A)
7	2012 - 2012	GMC	Yukon PAB (A)
7	2012 - 2012	GMC	Yukon XL PAB (A)
7	2012 - 2012	Honda	ACCORD PAB (A)
7	2012 - 2012	Honda	CROSSTOUR PAB (A)
7	2012 - 2012	Honda	FCX CLARITY PAB (A)
7	2012 - 2012	Honda	FIT PAB (A)
7	2012 - 2012	Honda	INSIGHT PAB (A)
7	2012 - 2012	Honda	PILOT PAB (A)
7	2012 - 2012	Honda	RIDGELINE PAB (A)
7	2012 - 2012	Jaguar	XF PAB (A)
7	2012 - 2012	Land Rover	Range Rover PAB (A)
7	2012 - 2012	Lexus	ES350 PAB (A)
7	2012 - 2012	Lexus	GX460 PAB (A)
7	2012 - 2012	Lexus	IS250/350 PAB (A)
7	2012 - 2012	Lexus	IS250C/350C PAB (A)
7	2012 - 2012	Lexus	IS-F PAB (A)
7	2012 - 2012	Lexus	LFA PAB (A)
7	2012 - 2012	Lincoln	Zephyr/MKZ PAB (A)
7	2012 - 2012	Mazda	CX7 PAB (A)
7	2012 - 2012	Mazda	CX9 PAB (A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
7	2012 - 2012	McLaren	MP4-12C PAB (A)
7	2011 - 2011	McLaren	P1TM PAB (A)
7	2012 - 2012	Mercedes-Benz	C-Class PAB (A)
7	2012 - 2012	Mercedes-Benz	E-Class Cabrio PAB (A)
7	2012 - 2012	Mercedes-Benz	E-Class Coupe PAB (A)
7	2012 - 2012	Mercedes-Benz	GLK Class PAB (A)
7	2012 - 2012	Mercedes-Benz	SLS-Class PAB (A)
7		Mitsubishi	i-MiEV PAB (A)
7	2012 - 2012	Nissan	Versa PAB (A)
7	2012 - 2012	Scion	xB PAB (A)
7	2012 - 2012	Subaru	Forester PAB (A)
7	2012 - 2012	Subaru	Legacy PAB (A)
7	2012 - 2012	Subaru	Outback PAB (A)
7	2012 - 2012	Subaru	Tribeca PAB (A)
7	2012 - 2012	Subaru	WRX/STI PAB (A)
7	2012 - 2012	Tesla	Model S PAB (A)
7	2012 - 2012	Toyota	4Runner PAB (A)
7	2012 - 2012	Toyota	Corolla PAB (A)
7	2012 - 2012	Toyota	Matrix PAB (A)
7	2012 - 2012	Toyota	Sienna PAB (A)
7	2012 - 2012	Toyota	Yaris (Sedan) PAB (A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
8	2006 - 2006	Acura	MDX PAB (C)
8	2009 - 2009	Acura	RL PAB (B)
8	2010 - 2010	Acura	RL PAB (B)
8	2006 - 2008	Acura	RL PAB (C)
8	2009 - 2009	Acura	RL PAB (C)
8	2009 - 2009	Acura	TSX PAB (B)
8	2005 - 2008	Audi	A4 Avant PAB (C)
8	2009 - 2009	Audi	A4 Cabriolet PAB (B)
8	2007 - 2008	Audi	A4 Cabriolet PAB (C)
8	2005 - 2008	Audi	A4 Sedan PAB (C)
8	2009 - 2009	Audi	A6 Avant PAB (B)
8	2006 - 2008	Audi	A6 Avant PAB (C)
8	2009 - 2009	Audi	A6 Sedan PAB (B)
8	2005 - 2008	Audi	A6 Sedan PAB (C)
8	2008 - 2008	Audi	RS 4 Cabriolet PAB (C)
8	2007 - 2008	Audi	RS 4 Sedan PAB (C)
8	2005 - 2008	Audi	S4 Avant PAB (C)
8	2009 - 2009	Audi	S4 Cabriolet PAB (B)
8	2007 - 2009	Audi	S4 Cabriolet PAB (C)
8	2005 - 2008	Audi	S4 Sedan PAB (C)
8	2009 - 2009	Audi	S6 Sedan PAB (B)
8	2007 - 2008	Audi	S6 Sedan PAB (C)
8	2009 - 2009	BMW	X5 PAB (B)
8	2007 - 2008	BMW	X5 PAB (C)
8	2009 - 2009	BMW	X6 PAB (B)
8	2008 - 2008	BMW	X6 PAB (C)
8	2009 - 2009	Cadillac	Escalade ESV PAB (B)
8	2007 - 2008	Cadillac	Escalade ESV PAB (C)
8	2009 - 2009	Cadillac	Escalade EXT PAB (B)
8	2007 - 2008	Cadillac	Escalade EXT PAB (C)
8	2009 - 2009	Cadillac	Escalade PAB (B)
8	2007 - 2008	Cadillac	Escalade PAB (C)
8	2009 - 2009	Chevrolet	Avalanche PAB (B)
8	2007 - 2008	Chevrolet	Avalanche PAB (C)
8	2009 - 2009	Chevrolet	Silverado HD PAB (B)
8	2009 - 2009	Chevrolet	Silverado LD PAB (B)
8	2007 - 2008	Chevrolet	Silverado LD PAB (C)
8	2009 - 2009	Chevrolet	Suburban PAB (B)
8	2007 - 2008	Chevrolet	Suburban PAB (C)
8	2009 - 2009	Chevrolet	Tahoe PAB (B)
8	2007 - 2008	Chevrolet	Tahoe PAB (C)
8	2012 - 2012	Ferrari	458 Italia PAB (B)

PG	Model Years	Make	Model, Inflator Position & (Zone)
8	2012 - 2012	Ferrari	458 Italia PAB (C)
8	2012 - 2012	Ferrari	458 Spider PAB (B)
8	2012 - 2012	Ferrari	458 Spider PAB (C)
8	2012 - 2012	Ferrari	California PAB (B)
8	2012 - 2012	Ferrari	California PAB (C)
8	2012 - 2012	Ferrari	FF PAB (B)
8	2012 - 2012	Ferrari	FF PAB (C)
8	2009 - 2009	Ford	Edge PAB (B)
8	2007 - 2008	Ford	Edge PAB (C)
8	2009 - 2009	Ford	Fusion PAB (B)
8	2006 - 2008	Ford	Fusion PAB (C)
8	2005 - 2006	Ford	GT PAB (C)
8	2009 - 2009	Ford	Mustang PAB (B)
8	2005 - 2008	Ford	Mustang PAB (C)
8	2009 - 2009	Ford	Ranger PAB (B)
8	2007 - 2008	Ford	Ranger PAB (C)
8	2009 - 2009	Freightliner	Sprinter PAB (B)
8	2007 - 2008	Freightliner	Sprinter PAB (C)
8	2009 - 2009	GMC	Sierra HD PAB (B)
8	2009 - 2009	GMC	Sierra LD PAB (B)
8	2007 - 2008	GMC	Sierra LD PAB (C)
8	2009 - 2009	GMC	Yukon PAB (B)
8	2007 - 2008	GMC	Yukon PAB (C)
8	2009 - 2009	GMC	Yukon XL PAB (B)
8	2007 - 2008	GMC	Yukon XL PAB (C)
8	2009 - 2009	Honda	ACCORD PAB (B)
8	2008 - 2008	Honda	ACCORD PAB (C)
8	2009 - 2009	Honda	CIVIC HYBRID PAB (B)
8	2006 - 2008	Honda	CIVIC HYBRID PAB (C)
8	2009 - 2009	Honda	CIVIC NGV PAB (B)
8	2006 - 2008	Honda	CIVIC NGV PAB (C)
8	2009 - 2009	Honda	CIVIC PAB (B)
8	2006 - 2008	Honda	CIVIC PAB (C)
8	2009 - 2009	Honda	CR-V PAB (B)
8	2006 - 2008	Honda	CR-V PAB (C)
8	2009 - 2009	Honda	ELEMENT PAB (B)
8	2005 - 2008	Honda	ELEMENT PAB (C)
8	2009 - 2009	Honda	FIT PAB (B)
8	2007 - 2008	Honda	FIT PAB (C)
8	2009 - 2009	Honda	PILOT PAB (B)
8	2006 - 2008	Honda	PILOT PAB (C)
8	2009 - 2009	Honda	RIDGELINE PAB (B)

PG	Model Years	Make	Model, Inflator Position & (Zone)
8	2007 - 2008	Honda	RIDGELINE PAB (C)
8	2006 - 2008	Infiniti	FX PAB (C)
8	2009 - 2009	Infiniti	M PAB (B)
8	2008 - 2008	Infiniti	M PAB (C)
8	2009 - 2009	Jaguar	XF PAB (B)
8	2009 - 2009	Land Rover	Range Rover PAB (B)
8	2007 - 2008	Land Rover	Range Rover PAB (C)
8	2009 - 2009	Lexus	ES350 PAB (B)
8	2007 - 2008	Lexus	ES350 PAB (C)
8	2009 - 2009	Lexus	IS250/350 PAB (B)
8	2006 - 2008	Lexus	IS250/350 PAB (C)
8	2009 - 2009	Lexus	IS-F PAB (B)
8	2008 - 2008	Lexus	IS-F PAB (C)
8	2009 - 2009	Lincoln	MKX PAB (B)
8	2007 - 2008	Lincoln	MKX PAB (C)
8	2009 - 2009	Lincoln	Zephyr/MKZ PAB (B)
8	2006 - 2008	Lincoln	Zephyr/MKZ PAB (C)
8	2009 - 2009	Mazda	B-Series PAB (B)
8	2007 - 2008	Mazda	B-Series PAB (C)
8	2009 - 2009	Mazda	CX7 PAB (B)
8	2007 - 2008	Mazda	CX7 PAB (C)
8	2009 - 2009	Mazda	CX9 PAB (B)
8	2007 - 2008	Mazda	CX9 PAB (C)
8	2009 - 2009	Mazda	Mazda6 PAB (B)
8	2005 - 2006	Mazda	MPV PAB (C)
8	2009 - 2009	Mazda	RX8 PAB (B)
8	2012 - 2012	McLaren	MP4-12C PAB (B)
8	2012 - 2012	McLaren	MP4-12C PAB (C)
8	2008 - 2008	Mercedes-Benz	C-Class PAB (C)
8	2009 - 2009	Mercury	Milan PAB (B)
8	2006 - 2008	Mercury	Milan PAB (C)
8	2012, 2014	Mitsubishi	i-MiEV PAB (B)
8	2012, 2014	Mitsubishi	i-MiEV PAB (C)
8		Nissan	Versa PAB (B)
8		Nissan	Versa PAB (C)
8	2009 - 2009	Pontiac	Vibe PAB (B)
8	2006 - 2006	Saab	9-2x PAB (C)
8	2009 - 2009	Scion	xB PAB (B)
8	2008 - 2008	Scion	xB PAB (C)
8	2005 - 2006	Subaru	Baja PAB (C)
8	2009 - 2009	Subaru	Forester PAB (B)
8	2009 - 2009	Subaru	Impreza PAB (B)

PG	Model Years	Make	Model, Inflator Position & (Zone)
8	2006 - 2008	Subaru	Impreza PAB (C)
8	2009 - 2009	Subaru	Legacy PAB (B)
8	2009 - 2009	Subaru	Outback PAB (B)
8	2009 - 2009	Subaru	Tribeca PAB (B)
8	2006 - 2008	Subaru	Tribeca PAB (C)
8	2009 - 2009	Toyota	Corolla PAB (B)
8	2009 - 2009	Toyota	Matrix PAB (B)
8	2009 - 2009	Toyota	Yaris (Hatch Back) PAB (B)
8	2007 - 2008	Toyota	Yaris (Hatch Back) PAB (C)
8	2009 - 2009	Toyota	Yaris (Sedan) PAB (B)
8	2007 - 2008	Toyota	Yaris (Sedan) PAB (C)

PG	Model Years	Make	Model, Inflator Position & (Zone)
9	2011 - 2012	Acura	RL PAB (B)
9	2010 - 2012	Acura	RL PAB (C)
9	2013 - 2013	Acura	TSX PAB (A)
9	2014 - 2014	Acura	TSX PAB (A)
9	2010 - 2010	Acura	TSX PAB (B)
9	2011 - 2014	Acura	TSX PAB (B)
9	2009 - 2009	Acura	TSX PAB (C)
9	2013 - 2013	Acura	ZDX PAB (A)
9	2010 - 2010	Acura	ZDX PAB (B)
9	2009 - 2009	Audi	A4 Cabriolet PAB (C)
9	2010 - 2010	Audi	A6 Avant PAB (B)
9	2009 - 2009	Audi	A6 Avant PAB (C)
9	2010 - 2010	Audi	A6 Sedan PAB (B)
9	2009 - 2009	Audi	A6 Sedan PAB (C)
9	2010 - 2010	Audi	S6 Sedan PAB (B)
9	2009 - 2009	Audi	S6 Sedan PAB (C)
9	2013 - 2013	BMW	X5 PAB (A)
9	2010 - 2010	BMW	X5 PAB (B)
9	2009 - 2011	BMW	X5 PAB (C)
9	2010 - 2010	BMW	X6 Hybrid PAB (B)
9	2013 - 2013	BMW	X6 PAB (A)
9	2010 - 2010	BMW	X6 PAB (B)
9	2009 - 2009	BMW	X6 PAB (C)
9	2013 - 2013	Cadillac	Escalade ESV PAB (A)
9	2010 - 2010	Cadillac	Escalade ESV PAB (B)
9	2009 - 2009	Cadillac	Escalade ESV PAB (C)
9	2013 - 2013	Cadillac	Escalade EXT PAB (A)
9	2010 - 2010	Cadillac	Escalade EXT PAB (B)
9	2009 - 2009	Cadillac	Escalade EXT PAB (C)
9	2013 - 2013	Cadillac	Escalade PAB (A)
9	2010 - 2010	Cadillac	Escalade PAB (B)
9	2009 - 2009	Cadillac	Escalade PAB (C)
9	2013 - 2013	Chevrolet	Avalanche PAB (A)
9	2010 - 2010	Chevrolet	Avalanche PAB (B)
9	2009 - 2009	Chevrolet	Avalanche PAB (C)
9	2013 - 2013	Chevrolet	Silverado HD PAB (A)
9	2010 - 2010	Chevrolet	Silverado HD PAB (B)
9	2009 - 2009	Chevrolet	Silverado HD PAB (C)
9	2013 - 2013	Chevrolet	Silverado LD PAB (A)
9	2010 - 2010	Chevrolet	Silverado LD PAB (B)
9	2009 - 2009	Chevrolet	Silverado LD PAB (C)
9	2013 - 2013	Chevrolet	Suburban PAB (A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
9	2010 - 2010	Chevrolet	Suburban PAB (B)
9	2009 - 2009	Chevrolet	Suburban PAB (C)
9	2013 - 2013	Chevrolet	Tahoe PAB (A)
9	2010 - 2010	Chevrolet	Tahoe PAB (B)
9	2009 - 2009	Chevrolet	Tahoe PAB (C)
9	2013 - 2013	Chrysler	300 PAB (A)
9	2010 - 2010	Chrysler	300 PAB (B)
9	2009 - 2009	Chrysler	300 PAB (C)
9	2009 - 2009	Chrysler	Aspen PAB (C)
9	2013 - 2013	Dodge	Challenger PAB (A)
9	2010 - 2010	Dodge	Challenger PAB (B)
9	2009 - 2009	Dodge	Challenger PAB (C)
9	2013 - 2013	Dodge	Charger PAB (A)
9	2010 - 2010	Dodge	Charger PAB (B)
9	2009 - 2009	Dodge	Charger PAB (C)
9	2010 - 2010	Dodge	Dakota PAB (B)
9	2009 - 2009	Dodge	Dakota PAB (C)
9	2009 - 2009	Dodge	Durango PAB (C)
9	2009 - 2009	Dodge	Ram 2500 Pickup PAB (C)
9	2010 - 2010	Dodge	Ram 3500 Cab Chassis PAB (B)
9	2009 - 2009	Dodge	Ram 3500 Cab Chassis PAB (C)
9	2009 - 2009	Dodge	Ram 3500 Pickup PAB (C)
9	2010 - 2010	Dodge	Ram 4500/5500 Cab Chassis PAB (B)
9	2009 - 2009	Dodge	Ram 4500/5500 Cab Chassis PAB (C)
9	2013 - 2013	Ferrari	458 Italia PAB (A)
9	2013 - 2013	Ferrari	458 Italia PAB (B)
9	2013 - 2013	Ferrari	458 Italia PAB (C)
9	2013 - 2013	Ferrari	458 Spider PAB (A)
9	2013 - 2013	Ferrari	458 Spider PAB (B)
9	2013 - 2013	Ferrari	458 Spider PAB (C)
9	2013 - 2013	Ferrari	California PAB (A)
9	2013 - 2013	Ferrari	California PAB (B)
9	2013 - 2013	Ferrari	California PAB (C)
9	2013 - 2013	Ferrari	F12 PAB (A)
9	2013 - 2013	Ferrari	F12 PAB (B)
9	2013 - 2013	Ferrari	F12 PAB (C)
9	2013 - 2013	Ferrari	FF PAB (A)
9	2013 - 2013	Ferrari	FF PAB (B)
9	2013 - 2013	Ferrari	FF PAB (C)
9	2010 - 2010	Ford	Edge PAB (B)
9	2009 - 2009	Ford	Edge PAB (C)
9	2010 - 2010	Ford	Fusion PAB (B)

PG	Model Years	Make	Model, Inflator Position & (Zone)
9	2009 - 2009	Ford	Fusion PAB (C)
9	2013 - 2013	Ford	Mustang PAB (A)
9	2010 - 2010	Ford	Mustang PAB (B)
9	2009 - 2009	Ford	Mustang PAB (C)
9	2010 - 2010	Ford	Ranger PAB (B)
9	2009 - 2009	Ford	Ranger PAB (C)
9	2010 - 2010	Freightliner	Sprinter PAB (B)
9	2009 - 2009	Freightliner	Sprinter PAB (C)
9	2013 - 2013	GMC	Sierra HD PAB (A)
9	2010 - 2010	GMC	Sierra HD PAB (B)
9	2009 - 2009	GMC	Sierra HD PAB (C)
9	2013 - 2013	GMC	Sierra LD PAB (A)
9	2010 - 2010	GMC	Sierra LD PAB (B)
9	2009 - 2009	GMC	Sierra LD PAB (C)
9	2013 - 2013	GMC	Yukon PAB (A)
9	2010 - 2010	GMC	Yukon PAB (B)
9	2009 - 2009	GMC	Yukon PAB (C)
9	2013 - 2013	GMC	Yukon XL PAB (A)
9	2010 - 2010	GMC	Yukon XL PAB (B)
9	2009 - 2009	GMC	Yukon XL PAB (C)
9	2010 - 2010	Honda	ACCORD PAB (B)
9	2009 - 2009	Honda	ACCORD PAB (C)
9	2010 - 2010	Honda	CIVIC HYBRID PAB (B)
9	2009 - 2009	Honda	CIVIC HYBRID PAB (C)
9	2010 - 2010	Honda	CIVIC NGV PAB (B)
9	2009 - 2009	Honda	CIVIC NGV PAB (C)
9	2010 - 2010	Honda	CIVIC PAB (B)
9	2009 - 2009	Honda	CIVIC PAB (C)
9	2013 - 2013	Honda	CROSSTOUR PAB (A)
9	2010 - 2010	Honda	CROSSTOUR PAB (B)
9	2010 - 2010	Honda	CR-V PAB (B)
9	2009 - 2009	Honda	CR-V PAB (C)
9	2010 - 2010	Honda	ELEMENT PAB (B)
9	2009 - 2009	Honda	ELEMENT PAB (C)
9	2013 - 2013	Honda	FCX CLARITY PAB (A)
9	2013 - 2013	Honda	FIT EV PAB (A)
9	2013 - 2013	Honda	FIT PAB (A)
9	2010 - 2010	Honda	FIT PAB (B)
9	2009 - 2009	Honda	FIT PAB (C)
9	2013 - 2013	Honda	INSIGHT PAB (A)
9	2010 - 2010	Honda	INSIGHT PAB (B)
9	2013 - 2013	Honda	PILOT PAB (A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
9	2010 - 2010	Honda	PILOT PAB (B)
9	2009 - 2009	Honda	PILOT PAB (C)
9	2013 - 2013	Honda	RIDGELINE PAB (A)
9	2010 - 2010	Honda	RIDGELINE PAB (B)
9	2009 - 2009	Honda	RIDGELINE PAB (C)
9	2010 - 2010	Infiniti	M PAB (B)
9	2009 - 2009	Infiniti	M PAB (C)
9	2013 - 2013	Jaguar	XF PAB (A)
9	2010 - 2010	Jaguar	XF PAB (B)
9	2009 - 2009	Jaguar	XF PAB (C)
9	2013 - 2013	Jeep	Wrangler PAB (A)
9	2010 - 2010	Jeep	Wrangler PAB (B)
9	2009 - 2009	Jeep	Wrangler PAB (C)
9	2010 - 2010	Land Rover	Range Rover PAB (B)
9	2009 - 2009	Land Rover	Range Rover PAB (C)
9	2010 - 2010	Lexus	ES350 PAB (B)
9	2009 - 2009	Lexus	ES350 PAB (C)
9	2013 - 2013	Lexus	GX460 PAB (A)
9	2010 - 2010	Lexus	GX460 PAB (B)
9	2013 - 2013	Lexus	IS250/350 PAB (A)
9	2010 - 2010	Lexus	IS250/350 PAB (B)
9	2009 - 2009	Lexus	IS250/350 PAB (C)
9	2013 - 2013	Lexus	IS250C/350C PAB (A)
9	2010 - 2010	Lexus	IS250C/350C PAB (B)
9	2013 - 2013	Lexus	IS-F PAB (A)
9	2010 - 2010	Lexus	IS-F PAB (B)
9	2009 - 2009	Lexus	IS-F PAB (C)
9	2010 - 2010	Lincoln	MKX PAB (B)
9	2009 - 2009	Lincoln	MKX PAB (C)
9	2010 - 2010	Lincoln	Zephyr/MKZ PAB (B)
9	2009 - 2009	Lincoln	Zephyr/MKZ PAB (C)
9	2009 - 2009	Mazda	B-Series PAB (C)
9	2010 - 2010	Mazda	CX7 PAB (B)
9	2009 - 2009	Mazda	CX7 PAB (C)
9	2013 - 2013	Mazda	CX9 PAB (A)
9	2010 - 2010	Mazda	CX9 PAB (B)
9	2009 - 2009	Mazda	CX9 PAB (C)
9	2010 - 2010	Mazda	Mazda6 PAB (B)
9	2009 - 2009	Mazda	Mazda6 PAB (C)
9	2010 - 2010	Mazda	RX8 PAB (B)
9	2009 - 2009	Mazda	RX8 PAB (C)
9	2013 - 2013	McLaren	MP4-12C PAB (A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
9	2013 - 2013	McLaren	MP4-12C PAB (B)
9	2013 - 2013	McLaren	MP4-12C PAB (C)
9	2013 - 2013	McLaren	P1TM PAB (A)
9	2013 - 2013	Mercedes-Benz	C-Class PAB (A)
9	2010 - 2010	Mercedes-Benz	C-Class PAB (B)
9	2009 - 2009	Mercedes-Benz	C-Class PAB (C)
9	2013 - 2013	Mercedes-Benz	E-Class Cabrio PAB (A)
9	2013 - 2013	Mercedes-Benz	E-Class Coupe PAB (A)
9	2010 - 2010	Mercedes-Benz	E-Class Coupe PAB (B)
9	2013 - 2013	Mercedes-Benz	GLK Class PAB (A)
9	2010 - 2010	Mercedes-Benz	GLK Class PAB (B)
9	2013 - 2013	Mercedes-Benz	SLS-Class PAB (A)
9	2010 - 2010	Mercedes-Benz	Sprinter PAB (B)
9	2010 - 2010	Mercury	Milan PAB (B)
9	2009 - 2009	Mercury	Milan PAB (C)
9	2009 - 2009	Mitsubishi	Raider PAB (C)
9	2010 - 2010	Nissan	Versa PAB (B)
9	2009 - 2009	Nissan	Versa PAB (C)
9	2010 - 2010	Pontiac	Vibe PAB (B)
9	2009 - 2009	Pontiac	Vibe PAB (C)
9	2013 - 2013	Scion	xB PAB (A)
9	2010 - 2010	Scion	xB PAB (B)
9	2009 - 2009	Scion	xB PAB (C)
9	2013 - 2013	Subaru	Forester PAB (A)
9	2010 - 2010	Subaru	Forester PAB (B)
9	2009 - 2009	Subaru	Forester PAB (C)
9	2010 - 2010	Subaru	Impreza PAB (B)
9	2009 - 2009	Subaru	Impreza PAB (C)
9	2013 - 2013	Subaru	Legacy PAB (A)
9	2010 - 2010	Subaru	Legacy PAB (B)
9	2009 - 2009	Subaru	Legacy PAB (C)
9	2013 - 2013	Subaru	Outback PAB (A)
9	2010 - 2010	Subaru	Outback PAB (B)
9	2009 - 2009	Subaru	Outback PAB (C)
9	2013 - 2013	Subaru	Tribeca PAB (A)
9	2010 - 2010	Subaru	Tribeca PAB (B)
9	2009 - 2009	Subaru	Tribeca PAB (C)
9	2013 - 2013	Subaru	WRX/STI PAB (A)
9	2013 - 2013	Tesla	Model S PAB (A)
9	2013 - 2013	Toyota	4Runner PAB (A)
9	2010 - 2010	Toyota	4Runner PAB (B)
9	2013 - 2013	Toyota	Corolla PAB (A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
9	2010 - 2010	Toyota	Corolla PAB (B)
9	2009 - 2009	Toyota	Corolla PAB (C)
9	2013 - 2013	Toyota	Matrix PAB (A)
9	2010 - 2010	Toyota	Matrix PAB (B)
9	2009 - 2009	Toyota	Matrix PAB (C)
9	2013 - 2013	Toyota	Sienna PAB (A)
9	2010 - 2010	Toyota	Yaris (Hatch Back) PAB (B)
9	2009 - 2009	Toyota	Yaris (Hatch Back) PAB (C)
9	2010 - 2010	Toyota	Yaris (Sedan) PAB (B)
9	2009 - 2009	Toyota	Yaris (Sedan) PAB (C)

PG	Model Years	Make	Model, Inflator Position & (Zone)
10	2010 - 2014	Acura	TSX PAB (C)
10	2011 - 2013	Acura	ZDX PAB (B)
10	2010 - 2013	Acura	ZDX PAB (C)
10	2011 - 2011	Audi	A6 Avant PAB (B)
10	2010 - 2011	Audi	A6 Avant PAB (C)
10	2011 - 2011	Audi	A6 Sedan PAB (B)
10	2010 - 2011	Audi	A6 Sedan PAB (C)
10	2017 - 2017	Audi	R8 DAB (A)
10	2017 - 2017	Audi	R8 DAB (B)
10	2017 - 2017	Audi	R8 DAB (C)
10	2011 - 2011	Audi	S6 Sedan PAB (B)
10	2010 - 2011	Audi	S6 Sedan PAB (C)
10	2016 - 2017	Audi	TT DAB (A)
10	2016 - 2017	Audi	TT DAB (B)
10	2016 - 2017	Audi	TT DAB (C)
10	2015 - 2015	BMW	X1 DAB (A)
10	2015 - 2015	BMW	X1 DAB (B)
10	2015 - 2015	BMW	X1 DAB (C)
10	2011 - 2013	BMW	X5 PAB (B)
10	2012 - 2013	BMW	X5 PAB (C)
10	2011 - 2011	BMW	X6 Hybrid PAB (B)
10	2010 - 2011	BMW	X6 Hybrid PAB (C)
10	2014 - 2014	BMW	X6 PAB (A)
10	2011 - 2014	BMW	X6 PAB (B)
10	2010 - 2014	BMW	X6 PAB (C)
10	2014 - 2014	Cadillac	Escalade ESV PAB (A)
10	2011 - 2014	Cadillac	Escalade ESV PAB (B)
10	2010 - 2014	Cadillac	Escalade ESV PAB (C)
10	2011 - 2013	Cadillac	Escalade EXT PAB (B)
10	2010 - 2013	Cadillac	Escalade EXT PAB (C)
10	2014 - 2014	Cadillac	Escalade PAB (A)
10	2011 - 2014	Cadillac	Escalade PAB (B)
10	2010 - 2014	Cadillac	Escalade PAB (C)
10	2011 - 2013	Chevrolet	Avalanche PAB (B)
10	2010 - 2013	Chevrolet	Avalanche PAB (C)
10	2014 - 2014	Chevrolet	Silverado HD PAB (A)
10	2011 - 2014	Chevrolet	Silverado HD PAB (B)
10	2010 - 2014	Chevrolet	Silverado HD PAB (C)
10	2011 - 2013	Chevrolet	Silverado LD PAB (B)
10	2010 - 2013	Chevrolet	Silverado LD PAB (C)
10	2014 - 2014	Chevrolet	Suburban PAB (A)
10	2011 - 2014	Chevrolet	Suburban PAB (B)

PG	Model Years	Make	Model, Inflator Position & (Zone)
10	2010 - 2014	Chevrolet	Suburban PAB (C)
10	2014 - 2014	Chevrolet	Tahoe PAB (A)
10	2011 - 2014	Chevrolet	Tahoe PAB (B)
10	2010 - 2014	Chevrolet	Tahoe PAB (C)
10	2014 - 2015	Chrysler	300 PAB (A)
10	2011 - 2015	Chrysler	300 PAB (B)
10	2010 - 2015	Chrysler	300 PAB (C)
10	2014 - 2014	Dodge	Challenger PAB (A)
10	2011 - 2014	Dodge	Challenger PAB (B)
10	2010 - 2014	Dodge	Challenger PAB (C)
10	2014 - 2015	Dodge	Charger PAB (A)
10	2011 - 2015	Dodge	Charger PAB (B)
10	2010 - 2015	Dodge	Charger PAB (C)
10	2011 - 2011	Dodge	Dakota PAB (B)
10	2010 - 2011	Dodge	Dakota PAB (C)
10	2010 - 2010	Dodge	Ram 3500 Cab Chassis PAB (C)
10	2010 - 2010	Dodge	Ram 4500/5500 Cab Chassis PAB (C)
10	2014 - 2015	Ferrari	458 Italia PAB (A)
10	2014 - 2015	Ferrari	458 Italia PAB (B)
10	2014 - 2015	Ferrari	458 Italia PAB (C)
10	2015 - 2015	Ferrari	458 Speciale A PAB (A)
10	2015 - 2015	Ferrari	458 Speciale A PAB (B)
10	2015 - 2015	Ferrari	458 Speciale A PAB (C)
10	2014 - 2015	Ferrari	458 Speciale PAB (A)
10	2014 - 2015	Ferrari	458 Speciale PAB (B)
10	2014 - 2015	Ferrari	458 Speciale PAB (C)
10	2014 - 2015	Ferrari	458 Spider PAB (A)
10	2014 - 2015	Ferrari	458 Spider PAB (B)
10	2014 - 2015	Ferrari	458 Spider PAB (C)
10	2016 - 2017	Ferrari	488 GTB PAB (A)
10	2016 - 2017	Ferrari	488 GTB PAB (B)
10	2016 - 2017	Ferrari	488 GTB PAB (C)
10	2016 - 2017	Ferrari	488 Spider PAB (A)
10	2016 - 2017	Ferrari	488 Spider PAB (B)
10	2016 - 2017	Ferrari	488 Spider PAB (C)
10	2014 - 2014	Ferrari	California PAB (A)
10	2014 - 2014	Ferrari	California PAB (B)
10	2014 - 2014	Ferrari	California PAB (C)
10	2015 - 2017	Ferrari	California T PAB (A)
10	2015 - 2017	Ferrari	California T PAB (B)
10	2015 - 2017	Ferrari	California T PAB (C)
10	2014 - 2017	Ferrari	F12 PAB (A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
10	2014 - 2017	Ferrari	F12 PAB (B)
10	2014 - 2017	Ferrari	F12 PAB (C)
10	2016 - 2017	Ferrari	F12 tdf PAB (A)
10	2016 - 2017	Ferrari	F12 tdf PAB (B)
10	2016 - 2017	Ferrari	F12 tdf PAB (C)
10	2016 - 2016	Ferrari	F60 PAB (A)
10	2016 - 2016	Ferrari	F60 PAB (B)
10	2016 - 2016	Ferrari	F60 PAB (C)
10	2014 - 2016	Ferrari	FF PAB (A)
10	2014 - 2016	Ferrari	FF PAB (B)
10	2014 - 2016	Ferrari	FF PAB (C)
10	2017 - 2017	Ferrari	GTC4Lusso PAB (A)
10	2017 - 2017	Ferrari	GTC4Lusso PAB (B)
10	2017 - 2017	Ferrari	GTC4Lusso PAB (C)
10	2012 - 2012	Fisker	Karma PAB (B)
10	2012 - 2012	Fisker	Karma PAB (C)
10	2010 - 2010	Ford	Edge PAB (C)
10	2011 - 2012	Ford	Fusion PAB (B)
10	2010 - 2012	Ford	Fusion PAB (C)
10	2014 - 2014	Ford	Mustang PAB (A)
10	2011 - 2014	Ford	Mustang PAB (B)
10	2010 - 2014	Ford	Mustang PAB (C)
10	2011 - 2011	Ford	Ranger PAB (B)
10	2010 - 2011	Ford	Ranger PAB (C)
10	2015 - 2017	Freightliner	Sprinter DAB (A)
10	2015 - 2017	Freightliner	Sprinter DAB (B)
10	2015 - 2017	Freightliner	Sprinter DAB (C)
10	2011 - 2011	Freightliner	Sprinter PAB (B)
10	2010 - 2011	Freightliner	Sprinter PAB (C)
10	2014 - 2014	GMC	Sierra HD PAB (A)
10	2011 - 2014	GMC	Sierra HD PAB (B)
10	2010 - 2014	GMC	Sierra HD PAB (C)
10	2011 - 2013	GMC	Sierra LD PAB (B)
10	2010 - 2013	GMC	Sierra LD PAB (C)
10	2014 - 2014	GMC	Yukon PAB (A)
10	2011 - 2014	GMC	Yukon PAB (B)
10	2010 - 2014	GMC	Yukon PAB (C)
10	2014 - 2014	GMC	Yukon XL PAB (A)
10	2011 - 2014	GMC	Yukon XL PAB (B)
10	2010 - 2014	GMC	Yukon XL PAB (C)
10	2011 - 2012	Honda	ACCORD PAB (B)
10	2010 - 2012	Honda	ACCORD PAB (C)

PG	Model Years	Make	Model, Inflator Position & (Zone)
10	2011 - 2011	Honda	CIVIC HYBRID PAB (B)
10	2010 - 2011	Honda	CIVIC HYBRID PAB (C)
10	2011 - 2011	Honda	CIVIC NGV PAB (B)
10	2010 - 2011	Honda	CIVIC NGV PAB (C)
10	2011 - 2011	Honda	CIVIC PAB (B)
10	2010 - 2011	Honda	CIVIC PAB (C)
10	2014 - 2015	Honda	CROSSTOUR PAB (A)
10	2011 - 2015	Honda	CROSSTOUR PAB (B)
10	2010 - 2015	Honda	CROSSTOUR PAB (C)
10	2011 - 2011	Honda	CR-V PAB (B)
10	2010 - 2011	Honda	CR-V PAB (C)
10	2011 - 2011	Honda	ELEMENT PAB (B)
10	2010 - 2011	Honda	ELEMENT PAB (C)
10	2014 - 2014	Honda	FCX CLARITY PAB (A)
10	2014 - 2014	Honda	FIT EV PAB (A)
10	2011 - 2013	Honda	FIT PAB (B)
10	2010 - 2013	Honda	FIT PAB (C)
10	2014 - 2014	Honda	INSIGHT PAB (A)
10	2011 - 2014	Honda	INSIGHT PAB (B)
10	2010 - 2014	Honda	INSIGHT PAB (C)
10	2014 - 2015	Honda	PILOT PAB (A)
10	2011 - 2015	Honda	PILOT PAB (B)
10	2010 - 2015	Honda	PILOT PAB (C)
10	2014 - 2014	Honda	RIDGELINE PAB (A)
10	2011 - 2014	Honda	RIDGELINE PAB (B)
10	2010 - 2014	Honda	RIDGELINE PAB (C)
10	2010 - 2010	Infiniti	M PAB (C)
10	2014 - 2015	Jaguar	XF PAB (A)
10	2011 - 2015	Jaguar	XF PAB (B)
10	2010 - 2015	Jaguar	XF PAB (C)
10	2014 - 2016	Jeep	Wrangler PAB (A)
10	2011 - 2016	Jeep	Wrangler PAB (B)
10	2010 - 2016	Jeep	Wrangler PAB (C)
10	2011 - 2012	Land Rover	Range Rover PAB (B)
10	2010 - 2012	Land Rover	Range Rover PAB (C)
10	2011 - 2012	Lexus	ES350 PAB (B)
10	2010 - 2012	Lexus	ES350 PAB (C)
10	2014 - 2017	Lexus	GX460 PAB (A)
10	2011 - 2017	Lexus	GX460 PAB (B)
10	2010 - 2017	Lexus	GX460 PAB (C)
10	2011 - 2013	Lexus	IS250/350 PAB (B)
10	2010 - 2013	Lexus	IS250/350 PAB (C)

PG	Model Years	Make	Model, Inflator Position & (Zone)
10	2014 - 2015	Lexus	IS250C/350C PAB (A)
10	2011 - 2015	Lexus	IS250C/350C PAB (B)
10	2010 - 2015	Lexus	IS250C/350C PAB (C)
10	2014 - 2014	Lexus	IS-F PAB (A)
10	2011 - 2014	Lexus	IS-F PAB (B)
10	2010 - 2014	Lexus	IS-F PAB (C)
10	2012 - 2012	Lexus	LFA PAB (B)
10	2012 - 2012	Lexus	LFA PAB (C)
10	2010 - 2010	Lincoln	MKX PAB (C)
10	2011 - 2012	Lincoln	Zephyr/MKZ PAB (B)
10	2010 - 2012	Lincoln	Zephyr/MKZ PAB (C)
10	2011 - 2012	Mazda	CX7 PAB (B)
10	2010 - 2012	Mazda	CX7 PAB (C)
10	2014 - 2015	Mazda	CX9 PAB (A)
10	2011 - 2015	Mazda	CX9 PAB (B)
10	2010 - 2015	Mazda	CX9 PAB (C)
10	2011 - 2011	Mazda	Mazda6 PAB (B)
10	2010 - 2011	Mazda	Mazda6 PAB (C)
10	2011 - 2011	Mazda	RX8 PAB (B)
10	2010 - 2011	Mazda	RX8 PAB (C)
10	2016 - 2017	McLaren	570 PAB (A)
10	2016 - 2017	McLaren	570 PAB (B)
10	2016 - 2017	McLaren	570 PAB (C)
10	2015 - 2016	McLaren	650S PAB (A)
10	2015 - 2016	McLaren	650S PAB (B)
10	2015 - 2016	McLaren	650S PAB (C)
10	2016 - 2016	McLaren	675LT PAB (A)
10	2016 - 2016	McLaren	675LT PAB (B)
10	2016 - 2016	McLaren	675LT PAB (C)
10	2014 - 2014	McLaren	MP4-12C PAB (A)
10	2014 - 2014	McLaren	MP4-12C PAB (B)
10	2014 - 2014	McLaren	MP4-12C PAB (C)
10	2014 - 2015	McLaren	P1TM PAB (A)
10	2014 - 2015	McLaren	P1TM PAB (B)
10	2014 - 2015	McLaren	P1TM PAB (C)
10	2014 - 2014	Mercedes-Benz	C-Class PAB (A)
10	2011 - 2014	Mercedes-Benz	C-Class PAB (B)
10	2010 - 2014	Mercedes-Benz	C-Class PAB (C)
10	2014 - 2017	Mercedes-Benz	E-Class Cabrio PAB (A)
10	2011 - 2017	Mercedes-Benz	E-Class Cabrio PAB (B)
10	2011 - 2017	Mercedes-Benz	E-Class Cabrio PAB (C)
10	2014 - 2017	Mercedes-Benz	E-Class Coupe PAB (A)

PG	Model Years	Make	Model, Inflator Position & (Zone)
10	2011 - 2017	Mercedes-Benz	E-Class Coupe PAB (B)
10	2010 - 2017	Mercedes-Benz	E-Class Coupe PAB (C)
10	2014 - 2015	Mercedes-Benz	GLK Class PAB (A)
10	2011 - 2015	Mercedes-Benz	GLK Class PAB (B)
10	2010 - 2015	Mercedes-Benz	GLK Class PAB (C)
10	2015 - 2015	Mercedes-Benz	SLS-Class DAB (A)
10	2015 - 2015	Mercedes-Benz	SLS-Class DAB (B)
10	2015 - 2015	Mercedes-Benz	SLS-Class DAB (C)
10	2014 - 2015	Mercedes-Benz	SLS-Class PAB (A)
10	2011 - 2015	Mercedes-Benz	SLS-Class PAB (B)
10	2011 - 2015	Mercedes-Benz	SLS-Class PAB (C)
10	2015 - 2017	Mercedes-Benz	Sprinter DAB (A)
10	2015 - 2017	Mercedes-Benz	Sprinter DAB (B)
10	2015 - 2017	Mercedes-Benz	Sprinter DAB (C)
10	2011 - 2011	Mercedes-Benz	Sprinter PAB (B)
10	2010 - 2011	Mercedes-Benz	Sprinter PAB (C)
10	2011 - 2011	Mercury	Milan PAB (B)
10	2010 - 2011	Mercury	Milan PAB (C)
10	2016 - 2017	Mitsubishi	i-MiEV PAB (A)
10	2016 - 2017	Mitsubishi	i-MiEV PAB (B)
10	2016 - 2017	Mitsubishi	i-MiEV PAB (C)
10	2011 - 2012	Nissan	Versa PAB (B)
10	2010 - 2012	Nissan	Versa PAB (C)
10	2010 - 2010	Pontiac	Vibe PAB (C)
10	2014 - 2015	Scion	xB PAB (A)
10	2011 - 2015	Scion	xB PAB (B)
10	2010 - 2015	Scion	xB PAB (C)
10	2011 - 2013	Subaru	Forester PAB (B)
10	2010 - 2013	Subaru	Forester PAB (C)
10	2011 - 2011	Subaru	Impreza PAB (B)
10	2010 - 2011	Subaru	Impreza PAB (C)
10	2014 - 2014	Subaru	Legacy PAB (A)
10	2011 - 2014	Subaru	Legacy PAB (B)
10	2010 - 2014	Subaru	Legacy PAB (C)
10	2014 - 2014	Subaru	Outback PAB (A)
10	2011 - 2014	Subaru	Outback PAB (B)
10	2010 - 2014	Subaru	Outback PAB (C)
10	2014 - 2014	Subaru	Tribeca PAB (A)
10	2011 - 2014	Subaru	Tribeca PAB (B)
10	2010 - 2014	Subaru	Tribeca PAB (C)
10	2014 - 2014	Subaru	WRX/STI PAB (A)
10	2012 - 2014	Subaru	WRX/STI PAB (B)

PG	Model Years	Make	Model, Inflator Position & (Zone)
10	2012 - 2014	Subaru	WRX/STI PAB (C)
10	2014 - 2016	Tesla	Model S PAB (A)
10	2012 - 2016	Tesla	Model S PAB (B)
10	2012 - 2016	Tesla	Model S PAB (C)
10	2014 - 2016	Toyota	4Runner PAB (A)
10	2011 - 2016	Toyota	4Runner PAB (B)
10	2010 - 2016	Toyota	4Runner PAB (C)
10	2011 - 2013	Toyota	Corolla PAB (B)
10	2010 - 2013	Toyota	Corolla PAB (C)
10	2011 - 2013	Toyota	Matrix PAB (B)
10	2010 - 2013	Toyota	Matrix PAB (C)
10	2014 - 2014	Toyota	Sienna PAB (A)
10	2011 - 2014	Toyota	Sienna PAB (B)
10	2011 - 2014	Toyota	Sienna PAB (C)
10	2011 - 2011	Toyota	Yaris (Hatch Back) PAB (B)
10	2010 - 2011	Toyota	Yaris (Hatch Back) PAB (C)
10	2011 - 2012	Toyota	Yaris (Sedan) PAB (B)
10	2010 - 2012	Toyota	Yaris (Sedan) PAB (C)
10	2016 - 2017	Volkswagen	CC DAB (A)
10	2016 - 2017	Volkswagen	CC DAB (A)
10	2016 - 2017	Volkswagen	CC DAB (A)
10	2016 - 2017	Volkswagen	CC DAB (B)
10	2016 - 2017	Volkswagen	CC DAB (B)
10	2016 - 2017	Volkswagen	CC DAB (B)
10	2016 - 2017	Volkswagen	CC DAB (C)
10	2016 - 2017	Volkswagen	CC DAB (C)
10	2016 - 2017	Volkswagen	CC DAB (C)

END OF ANNEX

Appendix B

The Independent Monitor of Takata and the Coordinated Remedy Program

Coordinated Remedy Order, dated November 3, 2015

UNITED STATES DEPARTMENT OF TRANSPORTATION
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION
1200 New Jersey Avenue SE
Washington D.C. 20590

In re:	)
	)
Docket No. NHTSA-2015-0055	)
Coordinated Remedy Program Proceeding	)
	)
	)

COORDINATED REMEDY ORDER

This Coordinated Remedy Order ("Order") is issued by the Administrator of the National Highway Traffic Safety Administration ("NHTSA"), an operating administration of the U.S. Department of Transportation. Pursuant to NHTSA's authority under the National Traffic and Motor Vehicle Safety Act of 1966, as amended and recodified (the "Safety Act"), 49 U.S.C. § 30101, *et seq*., and specifically, 49 U.S.C. §§ 30118-30120, 30120(a)(1), 30120(c)(2)-(3), 30166(b), 30166(c), 30166(e), 30166(g)(1), and 49 CFR §§ 573.6, 573.14, this Coordinated Remedy Order establishes a Coordinated Remedy Program and sets forth the requirements and obligations of certain motor vehicle manufacturers[1] and TK Holdings, Inc., ("Takata") in connection with the recall and remedy of certain types of Takata air bag inflators.

[1] Currently, BMW of North America, LLC ("BMW"), FCA US, LLC ("FCA") (formerly Chrysler), Daimler Trucks North America, LLC ("Daimler Trucks"), Daimler Vans USA, LLC ("Daimler Vans"), Ford Motor Company ("Ford"), General Motors, LLC ("GM"), American Honda Motor Company ("Honda"), Mazda North American Operations ("Mazda"), Mitsubishi Motors North America, Inc. ("Mitsubishi"), Nissan North America, Inc. ("Nissan"), Subaru of America, Inc. ("Subaru"), and Toyota Motor Engineering and Manufacturing ("Toyota"). In accordance with Paragraphs 45, 46, and 48 below, this list may expand at some future date to include other motor vehicle manufacturers who have sold or otherwise made available in the United States motor vehicles equipped with Takata air bag inflators containing phase-stabilized ammonium nitrate.

I. NATURE OF THE MATTER AND FINDINGS.

1. On June 5, 2015, NHTSA opened the Coordinated Remedy Program Proceeding and public Docket Number NHTSA-2015-0055 to address the recalls of certain Takata air bag inflators, which together constitute the largest Safety Act recall in NHTSA's history and one of the largest consumer product recalls in United States history. *See Notice of Coordinated Remedy Program Proceeding for the Replacement of Certain Takata Air Bag Inflators*, 80 FED. REG. 32,197 (June 5, 2015). As of the date of this Order, the number of recalled air bag inflators (currently, approximately 23 million), impacted vehicles (currently, approximately 19 million), and affected vehicle manufacturers (currently, twelve), in combination with the potential for expansion of existing recalls and issuance of new recalls, and the remedy part supply challenges related to the existing recalls, presents an unprecedented level of complexity to the routine recall and remedy process. Given the potential severity of the harm to vehicle occupants when an inflator rupture occurs and the wide-spread exposure to the risk across a large vehicle population, the risk of harm presented by the defective Takata air bag inflators transcends the scope of the processes ordinarily followed in a recall under the Safety Act. Accordingly, for the reasons that follow, and upon consideration of the entire record in this proceeding, NHTSA now issues this Order.

Factual Background

2. An air bag inflator ("inflator") is a component inside an air bag module that contains explosive materials[2] which, when ignited, rapidly release gases to inflate air bags that protect vehicle occupants in vehicle crashes. Because inflators must fit into small and unique

[2] More precisely, air bag inflators contain pyrotechnic propellants, stored high pressure gases, or a combination of the two. To aid the reader's understanding, by using more familiar terminology, this is described herein as an "explosive."

spaces including vehicle steering wheels and front instrument panels (i.e., dashboards), and because they must also satisfy specific performance requirements, inflators must meet exacting size and configuration requirements for each air bag module they are paired with and each vehicle in which they are installed. When functioning properly, air bag inflators are life-saving devices.

3. The first recall involving a rupturing Takata driver side frontal air bag inflator was initiated by Honda on November 11, 2008. At that time, the defect was thought to be the result of a specific manufacturing issue involving a propellant press at Takata's Moses Lake, Washington plant. Due to various purported discrepancies in Takata's record keeping for the affected parts, and changing theories as to the root cause of the defect, Honda expanded the scope of the recall several times between 2009 and 2011.

4. The first recall involving a rupturing Takata passenger side frontal air bag inflator was initiated by Takata on April 11, 2013, and involved BMW, Honda, Mazda, Nissan, and Toyota. At that time, the defect was thought by Takata to be the result of two specific manufacturing issues: (1) the possibility that the auto-reject function on a propellant press had been manually disabled, and (2) the possibility that certain propellant lots were exposed to uncontrolled moisture conditions at Takata's Monclova, Mexico plant. In 2013 and 2014, GM recalled vehicles to address separate manufacturing problems specific to a limited number of inflators Takata supplied only to GM.

5. Between August 2013 and April 2014, NHTSA received three Vehicle Owner Questionnaires (VOQs) that alleged air bag inflator ruptures in vehicles outside the scope of the prior driver side and passenger side frontal air bag inflator recalls. In late May 2014, Takata confirmed the three ruptures with NHTSA's Office of Defects Investigation (ODI), and notified

ODI of an additional three ruptures (for a total of six rupture incidents between August 2013 and May 2014). All of these ruptures occurred in vehicles experiencing long-term exposure to hot and humid climate conditions in Florida and Puerto Rico.

6. On June 10, 2014, at NHTSA's urging, Takata and the affected vehicle manufacturers agreed to initiate various field actions in Florida, Hawaii, Puerto Rico, and the U.S. Virgin Islands. The data supporting these field actions indicated that certain Takata frontal air bag inflators in regions prone to consistent long-term[3] exposure to high absolute humidity ("HAH") and high temperatures posed a safety risk. The field actions were designed to mitigate the demonstrated risks in the HAH region, to make inflators available for future testing, and to produce data to guide future actions.

7. On June 11, 2014, NHTSA opened a preliminary evaluation (PE14-016) to investigate the six identified rupture incidents involving driver side and passenger side frontal air bag inflators manufactured by Takata.

8. During the period of October through December 2014, at NHTSA's direction, field actions were converted to recalls and the recalls were expanded, though some recalls remained limited to certain regions with higher absolute humidity. Also during this period, NHTSA urged Takata and the affected vehicle manufacturers to, among other things, speed up the remedy programs by increasing the supply of remedy air bag inflators. NHTSA emphasized the need to promptly and effectively remedy the serious safety risk posed to consumers by the defective Takata air bag inflators. Further, as part of its ongoing investigation and oversight, NHTSA issued two Special Orders to Takata on October 30, and November 18, 2014, a Special Order to Honda on November 5, 2014, and General Orders to BMW, FCA, Ford, GM, Honda,

[3] Consistent long-term exposure means multiple years of mostly continuous exposure throughout the year. It is not seasonal exposure.

Mazda, Mitsubishi, Nissan, Subaru, Toyota, and Takata on November 18, 2014. All these Special and General Orders were designed and issued by NHTSA to obtain additional data required to assess and mitigate the risk of harm to the motoring public.

9. On November 18, 2014, NHTSA demanded that the five vehicle manufacturers with affected driver side frontal air bag inflators expand their regional field actions and conduct nationwide actions. This decision was based on, among other things, NHTSA's evaluation of a driver side frontal air bag failure in a vehicle outside the existing regional recall area. In response, beginning in December 2014, BMW, FCA, Ford, Honda and Mazda initiated national service campaigns or safety improvement campaigns on vehicles with driver side frontal air bag inflators.

10. On November 26, 2014, NHTSA demanded that Takata submit Defect Information Reports ("DIRs") of driver side frontal air bag inflators. While Takata declined to do so in a December 2, 2014 response, NHTSA continued to insist that Takata accept responsibility for the rupturing air bag inflators and file DIRs.

11. On February 24, 2015, NHTSA upgraded PE14-016 to an engineering analysis (EA15-001).

12. On May 18, 2015, after NHTSA's consistent demands, and pursuant to its legal obligations under the Safety Act, 49 U.S.C. § 30118(c)(1) and 49 C.F.R. § 573.6(c), Takata filed four DIRs with NHTSA (15E-040, 15E-041, 15E-042, 15E-043) ("Takata DIRs"). In the Takata DIRs, Takata admitted that certain types of air bag inflators manufactured by Takata with a phase-stabilized ammonium nitrate-based propellant (specifically, the PSDI, PSDI-4, PSDI-4K, SPI, PSPI and PSPI-L) contain defects constituting an unreasonable risk to safety.

13. Between May 13, 2015 and June 24, 2015, BMW, FCA, Daimler Trucks,[4] Daimler Vans, Ford, GM, Honda, Mazda, Mitsubishi, Nissan, Subaru, and Toyota (the "Initial Vehicle Manufacturers") each filed DIRs with NHTSA for vehicles containing the air bag inflators covered by the Takata DIRs (the "Inflator Recalls").

14. As part of the Coordinated Remedy Program Proceeding, launched on June 5, 2015, NHTSA sought information from each of the Initial Vehicle Manufacturers, Takata, and other major inflator suppliers[5] (the "Suppliers"). As an initial matter, this included gathering data from the Initial Vehicle Manufacturers, Takata, and the other Suppliers through correspondence, and a Special Order to Takata, sent on June 18 and 19, 2015.[6] Thereafter, each of these companies provided answers responsive to NHTSA's correspondence, which were available in the public docket.

15. Among other things, NHTSA engaged in numerous teleconferences and in-person meetings with the Suppliers to enhance NHTSA's understanding of, among other things, each Supplier's current production capacities, capabilities or plans for increasing production, existing contractual obligations, and product reliability. NHTSA also engaged in teleconferences and in-person meetings with the Initial Vehicle Manufacturers to enhance NHTSA's understanding of, among other things, each Vehicle Manufacturer's anticipated timelines for receipt of replacement air bag units, anticipated timelines for remedy program

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[4] Daimler Trucks' remedy program of approximately 2,500 vehicles is being conducted in cooperation with FCA.

[5] ARC Automotive, Inc. ("ARC"), Autoliv Americas ("Autoliv"), Key Safety Systems ("Key Safety"), Toyoda Gosei North America Corporation ("Toyoda"), Daicel Safety Systems America, LLC ("Daicel"), and TRW Automotive ("TRW") which has subsequently become ZF TRW ("ZF TRW").

[6] The correspondence sent to Takata and each of the Suppliers and Initial Vehicle Manufacturers, and their responses, are available for inspection in public Docket Number NHTSA-2015-0055. Given NHTSA's ongoing investigation into the defective Takata air bag inflators under EA15-001, the correspondence sent to Takata was in the form of a Special Order, with a cover letter. As with the other industry responses to the correspondence of June 18-19, Takata's response to the Special Order was made publicly available as a comment to the Docket.

launch and completion, number of impacted vehicles, number of replacement air bag units needed, and plans and efforts for promptly conducting recall remedies and effectively reaching consumers.

16. On September 22, 2015, NHTSA gathered supplemental data from additional vehicle manufacturers that NHTSA had learned were supplied with Takata air bag inflators containing phase-stabilized ammonium nitrate ("PSAN")[7] not covered by the Takata DIRs (collectively, the "Potential Expansion Vehicle Manufacturers"). Thereafter, each of these companies provided public comments to the docket responsive to the questions and issues raised in NHTSA's correspondence.

17. On September 23 and 24, 2015, NHTSA convened problem-solving meetings with the Initial Vehicle Manufacturers to examine aggregate data and engage in a collaborative risk analysis to aid NHTSA in developing a principled, rational, risk-mitigation based approach for the prioritization and phasing of recall plans. Factors considered included those currently associated with a higher risk of inflator rupture, specifically: age of the inflator (with older inflators presenting a greater risk); geographic location of vehicles with the recalled inflators (with HAH areas presenting a greater risk); position of the inflator in the vehicle (with the driver side frontal air bag inflator presenting a greater risk of serious injury or death when a rupture occurs); and the presence of recalled inflators in both the driver and passenger side airbag modules. During the meetings, the Initial Vehicle Manufacturers provided input on factors supporting a technically supported risk-assessment methodology for the Inflator Recalls. Following the meeting, each Initial Vehicle Manufacturer submitted a vehicle prioritization list

[7] Correspondence was sent to Jaguar Land Rover North America, LLC ("Jaguar"); Mercedes-Benz US, LLC ("Mercedes-Benz"); Spartan Motors, Inc. ("Spartan"); Suzuki Motor of America, Inc. ("Suzuki"); Tesla Motors, Inc. ("Tesla"); Volkswagen Group of America, Inc. ("Volkswagen"); and Volvo Trucks NA ("Volvo"). The correspondence to each of these vehicle manufacturers, and their responses, are available for public inspection in public Docket Number NHTSA-2015-0055.

that applied these factors, and other factors specific to their products, that prioritized vehicles into three risk categories. NHTSA analyzed these submissions and determined that the Initial Vehicle Manufacturers generally identified reasonable and appropriate priority groups based on the evidence known at this time.

18. Throughout this process, the public has been able to engage in this dialogue through submissions to the public Docket, NHTSA-2015-0055. In addition to the actions set forth above, NHTSA reviewed and considered all public comments to the docket.

19. While Takata is a manufacturer of air bag inflators, other Suppliers also manufacture inflators, some of which closely match the performance requirements of the original Takata inflator and thus can be modified and safely installed in Takata air bag modules for use as remedy parts for the Inflator Recalls. This is significant because Takata alone does not have sufficient manufacturing capacity to produce remedy inflators for the Initial Vehicle Manufacturers within an adequate timeframe. According to Takata, it was capable of manufacturing approximately 85,000 replacement kits per week as of October 30, 2014. Takata's production capacity increased to 91,000 replacement kits per week by December 1, 2014, and to 122,000 replacement kits per week by January 26, 2015. By July 2015, Takata reported to NHTSA that, in May 2015, it had produced approximately 730,000 remedy inflators and 1,167,000 remedy kits, which included inflators obtained from other Suppliers. Takata further reported that these numbers were expected to reach 850,000 remedy inflators and 1,900,000 remedy kits produced per month, including inflators obtained from other Suppliers, by October 2015. Takata also reported that, as of June 2015, it had produced a total of approximately 8,900,000 replacement inflators. However, this production is not all directed to the U.S. market; it also serves the global market requiring replacement air bag inflators. Even at

the increased rate of nearly 850,000 remedy inflators per month by October 2015, if working alone it would take Takata at least twenty-seven (27) months to produce enough remedy inflators for the Inflator Recalls, assuming all of that production went solely to the United States market.

20. Further, some of the Takata driver inflators, sometimes referred to as containing propellant in the shape of a "batwing," have been used as interim replacement parts that will degrade if continuously exposed to long-term to HAH conditions, and are themselves subject to recall. These inflators will not be used as a final remedy of driver side frontal air bags. Further, Takata's passenger side frontal air bag inflators subject to the Inflator Recalls have not previously been recalled for vehicles later than model year 2008.

21. The Initial Vehicle Manufacturers recognized the need to increase the remedy parts supply in order to have sufficient remedy parts available. To do so, they were required find alternative suppliers to meet their demands for remedy air bag inflator parts. The Initial Vehicle Manufacturers found that necessary alternative supply source in other inflator suppliers, specifically, Autoliv, Daicel, and ZF TRW (collectively, the "Alternative Inflator Suppliers").

22. According to Takata, in October 2015, the Alternative Inflator Suppliers were scheduled to provide over 1.9 million remedy inflator parts per month for installation in remedy air bag kits. This totaled approximately seventy percent (70%) of the 2.8 million remedy inflator kits produced by Takata that month for global demand. Nonetheless, the sheer volume of remedy parts required across the vehicle manufacturing industry, for both U.S. and foreign markets, has created challenges for the Initial Vehicle Manufacturers in obtaining sufficient remedy parts to remedy all of the recalled inflators within a reasonable time.

23. Despite the efforts of each of the Initial Vehicle Manufacturers to procure remedy parts in a timely fashion, some vehicle manufacturers will not be able to obtain sufficient remedy parts to launch their remedy programs, in part or in full, until late 2015 or early 2016, more than six (6) months after filing their initial DIRs in regard to the Inflator Recalls.

24. Further, pursuant to a November 3, 2015 Consent Order to Takata ("November 2015 Takata Consent Order"), additional Takata air bag inflators not previously subject to a recall may need to be replaced. This would cause the Potential Expansion Vehicle Manufacturers to join the existing field of Initial Vehicle Manufacturers (collectively, the "Vehicle Manufacturers") in need of remedy air bag inflator parts.

25. Each time Takata air bag inflator recalls are issued under the November 2015 Takata Consent Order, or current recalls are expanded, similar challenges will arise for the Vehicle Manufacturers regarding supply chain and the need for risk-assessments based on principled rationales that utilize the most-current available science and data.

26. Throughout this sequence of events, Takata has conducted inflator testing in an effort to determine the "root cause" of the inflator ruptures and, by testing modules recovered from vehicles that have been remedied, to determine which inflators posed the greatest risk of rupture. While production issues at Takata manufacturing plants in Monclova, Mexico and Moses Lake, Washington, were identified early on as the purported root cause in some rupture incidents, those theories (even if correct) do not account for the ongoing issues with inflator rupture. For example, inflators installed in vehicles spending many consecutive years of their service lives in hot and humid climates have also ruptured even though they appear to have been manufactured within Takata's specifications. While Takata now believes that the ruptures are

related to long-term exposure to HAH conditions, their root cause testing has not produced any conclusive answers regarding why the inflators rupture.

27. Moreover, Takata has been unable to provide a definitive explanation for other inflators rupturing, including the rupture of an SSI-20 side air bag inflator on June 7, 2015, in a Volkswagen vehicle involved in a crash, or the rupture of a PSDI-X inflator during Takata's testing of an air bag module on September 29, 2015 with a resulting recall by Honda. Takata has also been unable to definitively explain the October 2015, rupture of an SSI-20 inflator during Takata quality control testing. It therefore appears to the agency that Takata continues to have ongoing quality control issues with the volatile, explosive compound it has chosen as the propellant for most of its air bag inflators: PSAN.

28. While the ultimate responsibility for determining root cause rests squarely with Takata, testing has also been conducted by NHTSA and third parties in an effort to establish the root cause of the defect and to verify the results of Takata's testing of inflators returned from the field. NHTSA has conducted testing through Battelle Memorial Institute, 3D Engineering Solutions, and the Transportation Research Center of Ohio, testing organizations located in Ohio, to verify Takata's test results and examine the root cause of the defect. Testing has also been undertaken by the Independent Testing Coalition ("ITC"), which is comprised of BMW, FCA, Ford, GM, Honda, Mazda, Mitsubishi, Nissan, Subaru, and Toyota. Orbital ATK, a testing company located in Utah, has commenced testing on behalf of the ITC, and hopes to conclude root cause analysis in 2016. Multiple individual vehicle manufacturers have also conducted testing in efforts to confirm Takata's results or establish root cause for the defect. While this multitude of independent testing efforts have largely confirmed the observations made and patterns identified from Takata's test results, none of these efforts has identified any

specific root cause(s) for the propellant failures and inflator ruptures. While progress is being made, it is unknown when, or if, root cause will ever be definitively determined.

29. Without a conclusive determination of root cause, the source of the problems with certain Takata inflators remains unknown. What is known, however, is that the propellant in inflators covered by the Inflator Recalls and the recalls within the scope of this Order have, at various rates of frequency, a propensity to ignite and/or burn in an unexpected way that may cause the pressure inside the inflator to increase too quickly, causing the inflator to rupture. That rupture causes the metal canister of the inflator to break away in hot, shrapnel-like fragments, which shoot out of the air bag into the passenger cabin and towards the driver or any occupants who are nearby.

30. As of October 30, 2015, there have been 99 confirmed incidents in the United States where a ruptured Takata air bag inflator allegedly caused death or injury. Many of these incidents resulted in serious injury to vehicle occupants. In seven of the incidents, the vehicle's driver died as a result of injuries sustained from the rupture of the air bag inflator. In other incidents, vehicle occupants suffered injuries including cuts or lacerations to the face or neck, broken or fractured facial bones, loss of eyesight, and broken teeth. The risk of these tragic consequences is greatest for individuals sitting in the driver seat, where one in ten individuals' whose air bag inflator ruptured has died.

Findings

Based upon the agency's analysis and judgment, and upon consideration of the entire record, NHTSA finds that:

31. (1) there is a risk of serious injury or death if the remedy program of each of the Initial Vehicle Manufacturers is not accelerated; (2) acceleration of each Initial Vehicle Manufacturer's remedy program can be reasonably achieved by expanding the sources of replacement parts; and (3) each Initial Vehicle Manufacturer's remedy program is not likely to be capable of completion within a reasonable time without acceleration.

32. Each air bag inflator with the capacity to rupture, as the recalled Takata inflators do, presents an unreasonable risk of serious injury or death. Seven individuals have already been killed in the United States alone, with at least 92 more injured. Since the propensity for rupture increases with the age of the inflator, and increases even more when the vehicle has been exposed to consistent long-term HAH conditions, the risk for injurious or lethal rupture increases with each passing day. While each of the Initial Vehicle Manufacturers has made efforts towards the remedy of these defective air bag inflators, acceleration and coordination of the inflator remedy programs is necessary to reduce this risk to public safety. Acceleration and coordination will enable vehicle manufacturers to establish priorities based on principled rationales for risk-assessment, coordinate on safety-focused efforts to successfully complete their respective remedy programs, and allow for the organization and prioritization of remedy parts, if and as needed, with NHTSA's oversight.

33. Acceleration of the inflator remedy programs can be reasonably achieved by, among other things, expanding the sources of replacement parts. This acceleration can be accomplished in part by a vehicle manufacturer contracting with any of the Alternative Inflator Suppliers for remedy parts as Takata cannot manufacture sufficient remedy parts in a reasonable time for the estimated 23 million inflators in the U.S. market alone that require remedy under the Inflator Recalls.

34. In light of all the circumstances, including the safety risk discussed above, the Initial Vehicle Manufacturers' recall remedy programs are not likely capable of completion within a reasonable amount of time without acceleration of each remedy program. It is critical to the timely completion of each remedy program that the Initial Vehicle Manufacturers obtain remedy inflators from sources other than Takata. Takata's inflator production for October 2015 will make up only around thirty percent (30%) of the remedy inflators produced that month. Further, Takata's ability to supply remedy parts going forward may decrease, such that other Suppliers will need to fill the resulting void.

35. Pursuant to the conditions for expansion of the recalls in the Takata DIRs for Recall Nos. 15E-042 and 15E-043, Paragraphs 27 – 30 of the November 2015 Takata Consent Order, and as otherwise agreed by Takata, and after consultation throughout this Coordinated Remedy Program Proceeding with Takata and all of the vehicle manufacturers affected by said Recalls, NHTSA further finds that continued testing and analysis of Takata air bag inflators is necessary. If circumstances warrant the issuance of an Order expanding the production or geographic scope of the Inflator Recalls, the agency will do so in accordance with the November 2015 Takata Consent Order.

36. The issuance of this Coordinated Remedy Order is an appropriate exercise of NHTSA's authority under the Safety Act, 49 U.S.C. § 30101, *et seq.*, as delegated by the Secretary of Transportation, 49 C.F.R. §§ 1.95, 501.2(a)(1), to inspect and investigate, 49 U.S.C. § 30166(b)(1), to ensure that defective vehicles and equipment are recalled and remedied and that owners are notified of a defect and how to have the defect remedied, 49 U.S.C. §§ 30118-30120, to ensure the adequacy of the remedy, including through acceleration of the remedy program, 49 U.S.C. § 30120(c), to require vehicle manufacturers and equipment

manufacturers to keep records and make reports, 49 U.S.C. § 30166(e), and to require any person to file reports or answers to specific questions, 49 U.S.C. § 30166(g).

37. This Coordinated Remedy Order, developed after taking into account the input and concerns of each of the Vehicle Manufacturers, Suppliers, Takata, other interested parties and the public, will reduce the risk of serious injury or death to the motoring public and enable the Initial Vehicle Manufacturers and Takata to implement, and complete, the necessary remedy programs on an accelerated basis.

Accordingly, it is hereby ORDERED by NHTSA as follows:

II. TERMS OF THE COORDINATED REMEDY ORDER.

Priority Groups and Target Recall Program Completion Deadlines for the Coordinated Remedy Program

38. Each Initial Vehicle Manufacturer has previously submitted to NHTSA a vehicle prioritization plan based on a risk-assessment that takes into account the primary factors related to Takata inflator rupture, as currently known and understood, and other factors specific to that vehicle manufacturer's products. The primary factors utilized by all of the Initial Vehicle Manufacturers are: (1) age of the inflator (with older presenting a greater risk of rupture); (2) geographic location of the inflator (with continuous long-term exposure to high absolute humidity ["HAH"] areas,[8] as defined by each vehicle manufacturer, presenting a greater risk of

[8] Each vehicle manufacturer has defined an HAH region for its vehicle prioritization and recall remedy program, resulting in slight variations as to which states and territories are included in the HAH area. However, **all** of the prioritizations include in the HAH area vehicles that were originally sold, or ever registered, in Alabama, Florida, Georgia, Hawaii, Louisiana, Mississippi, Texas, Puerto Rico, American Samoa, Guam, Saipan, and the U.S. Virgin Islands. None of the slight variations impact the risk mitigation established through this Order.

rupture); and (3) location of the Takata inflator in the vehicle (with both driver side and passenger side frontal air bag inflators in the same vehicle presenting the greatest risk of rupture,[9] and driver side only presenting an elevated risk of rupture, resulting in serious injury or death). In order to timely and adequately complete its remedy program, each Initial Vehicle Manufacturer shall, pursuant to 49 U.S.C. § 30120(a)(1) and (c), carry out its remedy program in accordance with its prioritization plan as submitted to NHTSA. A complete listing of the vehicles in each priority group ("Priority Group") developed using the above risk factors is attached hereto as Annex A,[10] and is hereby incorporated by reference as if fully set forth herein. The Priority Groups are as follows:

a. **Priority Group 1**

Vehicles in Priority Group 1 are equipped with Takata inflators that pose the highest risk of rupture and thus the highest risk of injury or death to the vehicle occupants. Generally, Priority Group 1 vehicles are currently model year 2008 and earlier, and have spent time[11] in the HAH region, and have either a recalled driver side inflator or *both* recalled driver side and passenger side inflators in the same vehicle.

b. **Priority Group 2**

Vehicles in Priority Group 2 are equipped with Takata inflators that pose an intermediate risk of rupture; that is, a lower risk of rupture and resulting injury or death to vehicle occupants

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[9] All recalled Takata inflators have previously been determined to pose an unreasonable risk of death or serious injury in a crash, as established in the filing of each of the many DIRs for the recalled inflators. Comparative statements of risk in the priority groups are provided to explain relative risk among the inflators, all of which pose an unreasonable risk of death or serious injury in a crash.

[10] Because information about the risk factors may change throughout this Coordinated Remedy Program, these prioritizations are subject to change by a vehicle manufacturer, with NHTSA's oversight of the recall program including vehicle prioritization.

[11] While continuous long-term exposure to HAH is an identified risk factor, the Priority Groups take this into account by including in the risk-assessment vehicles originally sold or ever registered in the HAH region. Vehicle manufacturers are able to obtain registration information and have used that data in formulating their risk-assessment based Priority Groups.

than the inflators and vehicles in Priority Group 1, but a higher likelihood of rupture and injury or death than vehicles in Priority Groups 3 and 4. Generally, Priority Group 2 includes: (1) all remaining vehicles with recalled *driver* side inflators (this includes, vehicles 2009 and newer, and/or vehicles with recalled driver inflators only that have not spent time in the HAH region), and; (2) vehicles with certain recalled passenger inflator types that have a higher rupture frequency and that have also spent time in the HAH region.

c. **Priority Group 3**

Vehicles in Priority Group 3 are equipped with Takata inflators that pose an unreasonable risk of serious injury or death to vehicle occupants and should be remedied as soon as possible following the remedy of the highest risk vehicles in Priority Groups 1 and 2. The likelihood of these inflators rupturing is lower than Priority Groups 1 and 2. Generally, Priority Group 3 includes the remaining vehicles, specifically, vehicles that are model year 2009 and later and either: (1) are outside the HAH region and contain only a passenger side inflator, or; (2) are in the HAH region and contain a specific passenger side inflator type with a lower rupture rate (the PSPI type) than other passenger side inflator types.

d. **Priority Group 4**

Some Initial Vehicle Manufacturers are replacing recalled inflators with newly manufactured "like-for-like" inflators while they work towards an alternative, final remedy. Vehicles in Priority Group 4 include those vehicles with driver side frontal air bag inflators that have received, or will receive, an "interim remedy," meaning they have been, or will be, remedied with a Takata inflator that has been recalled, and will require a second remedy once the final remedy is available.[12] Once repaired with the interim remedy, these vehicles are at the

[12] NHTSA has entered into Remedy Agreements with BMW and Mazda, which can be found in the investigation file for EA15-001 on www.safercar.gov.

lowest risk of an inflator rupture because the inflator is new and has not yet been subject to long-term continuous exposure to HAH conditions. Unless specifically added at a later date to a higher Priority Group for re-remedy by their vehicle manufacturer, all remaining vehicles requiring a second, final, remedy of the inflator(s) are included in Priority Group 4.

39. Pursuant to their obligations to remedy a defect within a reasonable time, as set forth in 49 U.S.C. § 30120(a)(1) and § 30120(c)(2), each Initial Vehicle Manufacturer shall acquire a sufficient supply of remedy parts to enable it to provide remedy parts, in a manner consistent with customary business practices, upon demand to dealers within their dealer network by the timelines set forth in this Paragraph. Each Initial Vehicle Manufacturer shall ensure that it has a sufficient supply of remedy parts on the following schedule:

Priority Group	Sufficient Supply Timelines
Priority Group 1	March 31, 2016
Priority Group 2	September 30, 2016
Priority Group 3	December 31, 2016

40. Further pursuant to their obligations to remedy a defect within a reasonable time, as set forth in 49 U.S.C. § 30120(a)(1) and § 30120(c)(2), each Initial Vehicle Manufacturer shall implement and execute its recall remedy program pursuant to the Safety Act with the target deadline to complete the recall remedy program for all vehicles in Priority Groups 1 through 3 of December 31, 2017, and a target deadline to remedy all vehicles in Priority Group 4 of December 31, 2019, as shown below:

Priority Group	Remedy Completion Target Deadline
Priority Group 1	December 31, 2017
Priority Group 2	December 31, 2017
Priority Group 3	December 31, 2017
Priority Group 4	December 31, 2019

Remedy Completion Maximization Efforts

41. Pursuant to 49 U.S.C. § 30166(e), within 90 days of this Order, a vehicle manufacturer recalling inflators subject to this Order shall provide to NHTSA and the Monitor (as set forth at Paragraph 44 below), a written recall engagement process or plan for maximizing remedy completion rates for all vehicles covered by the Inflator Recalls. Such a process or plan shall, at a minimum, include but not be limited to the methodology and techniques presented at the Retooling Recalls Workshop[13] held by NHTSA on April 28, 2015, at the U.S. Department of Transportation Headquarters.

42. Pursuant to 49 U.S.C. § 30166(e), a vehicle manufacturer recalling inflators subject to this Order shall, upon request, provide to NHTSA and the Monitor any and all information demonstrating the reasonableness of the efforts made by that vehicle manufacturer to maximize remedy completion rates.

43. The facts relating to supply, demand, and root cause may change during this Coordinated Remedy Program. Pursuant to Paragraph 32 of the November 2015 Takata Consent Order, Takata shall continue to cooperate with NHTSA in all ways to coordinate and accelerate remedy programs, and to adequately remedy the air bag inflators covered by the Inflator Recalls.

Monitor

44. Pursuant to Paragraphs 35 through 46 of the November 2015 Takata Consent Order, Takata has agreed to retain, at its sole cost and expense, an independent monitor (the "Monitor"). The Monitor's authority includes, among other things, certain monitoring, review and assessment of progress of the Coordinated Remedy Program and of compliance with this Order. The powers, rights and responsibilities of the Monitor are set forth more fully in the

[13] Each of the Initial Vehicle Manufacturers, other than Daimler Vans, registered to attend this Workshop. Presentations from the Workshop are available at: http://www.nhtsa.gov/nhtsa/symposiums/april2015/index.html#.

November 2015 Takata Consent Order, which are hereby incorporated by reference as if fully set forth herein.

a. The Monitor shall have the authority to take such reasonable steps, in the Monitor's view, as are necessary to be fully informed about the operations of the Coordinated Remedy Program and this Order.

b. It is expected that the Monitor will develop and implement written procedures and may make additional recommendations aimed at enhancing the Coordinated Remedy Program and ensuring that all Coordinated Remedy Program deadlines, including those in this Order, are met.

c. The Monitor is not intended to supplant NHTSA's authority over decisions related to the Coordinated Remedy Program, this Order, motor vehicle safety, or otherwise. If the Monitor identifies a problem or issue, the Monitor shall make appropriate recommendations to NHTSA and provide all supporting information, including information contrary to the Monitor's recommendation, to enable NHTSA to make an informed decision on that recommendation.

d. Takata and Vehicle Manufacturers, along with all of their respective officers, directors, employees, agents, and consultants, shall have an affirmative duty to cooperate with and assist the Monitor in connection with the Coordinated Remedy Program and this Order.

Potential Future Recalls

45. The provisions of the November 2015 Takata Consent Order regarding future recalls and possible future recalls, contained at Paragraphs 29 – 30 of that document, are hereby

incorporated by reference into this Order. Accordingly, any future recall(s) of Takata inflators pursuant to, or contemplated by, Paragraphs 29 – 30 of that Order shall become part of the Coordinated Remedy Program established herein.

46. Upon Takata's filing of a DIR pursuant to 49 CFR § 573, the affected vehicle manufacturer(s) shall timely file a DIR. Upon the filing of such DIRs NHTSA may, pursuant to 49 U.S.C. §§ 30118-30119, 49 U.S.C. § 30120(c), 49 CFR § 573.14, and 49 U.S.C. § 30166(b), (c), and (e), convene a meeting with the affected vehicle manufacturers to take place within forty-five (45) days of Takata's DIR filing, at an appropriate location within the United States, as determined by NHTSA, to address issues related to the Coordinated Remedy Program including, but not limited to, establishing a risk-assessment framework for the prioritization of vehicles and/or phasing of remedy programs, as appropriate. Any such prioritizations shall be made publicly available, and shall be annexed to this Order, in a format similar to the Priority Group lists in Annex A of this Order.

Record Keeping & Reports

47. Pursuant to 49 U.S.C. § 30166(b), (c), (e), and (g), in carrying out any recall remedy program covered by this Order, each affected vehicle manufacturer and Takata shall make any report, submit any information, and accommodate any inspection and/or investigation, as requested by NHTSA or the Monitor.

Miscellaneous

48. NHTSA may, after consultation with affected vehicle manufacturers, and/or Takata, or upon a recommendation of the Monitor, modify or amend provisions of this Order to, among other things: account for and timely respond to newly obtained facts, scientific data,

changed circumstances, and/or other relevant information that may become available throughout the term of the Coordinated Remedy Program. This includes but is not limited to, changes to the Priority Groups contained in Annex A; allowing for reasonable extensions of time for the timelines contained in Paragraphs 39 and 40; facilitating further recalls as contemplated by Paragraphs 45 and 46; or for any other purpose arising under, or in connection with, the Coordinated Remedy Program and/or this Coordinated Remedy Order.

49. This Coordinated Remedy Order shall become effective upon issuance by the NHTSA Administrator. In the event of a breach of, or failure to perform, any term of this Order by Takata or any vehicle manufacturer, NHTSA may pursue any and all appropriate remedies, including, but not limited to, actions compelling specific performance of the terms of this Order, and/or commencing litigation to enforce this Order in any United States District Court.

50. This Coordinated Remedy Order shall not be construed to create rights in, or grant any cause of action to, any third party not subject to this Order.

51. In carrying out the directives of this Coordinated Remedy Order, vehicle manufacturers and vehicle equipment manufacturers (i.e. suppliers) shall not engage in any conduct prohibited under the antitrust laws, or other applicable law.

IT IS SO ORDERED:

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION,
U.S. DEPARTMENT OF TRANSPORTATION

Dated: November 3, 2015

By: **// ORIGINAL SIGNED BY //**_____

Mark R. Rosekind, Ph.D.
Administrator

ANNEX A

Coordinated Remedy Program Priority Groups

In the Priority Groups listed below, the area of high absolute humidity ("HAH") is defined by each vehicle manufacturer individually, but in **all** instances includes vehicles originally sold or ever registered in Alabama, Florida, Georgia, Hawaii, Louisiana, Mississippi, Texas, Puerto Rico, American Samoa, Guam, Saipan, and the U.S. Virgin Islands. In limited instances, parts for some HAH recalls are currently only available to a limited area within the HAH with the highest risk of rupture. "Non-HAH" means any vehicle that has not been identified by the vehicle manufacturer as having been originally sold or ever registered in the HAH region, as defined by the vehicle manufacturer.

PRIORITY GROUP 1

BMW:

2002-2006	BMW	3 Series, M3 (HAH)

Daimler Vans USA:

2007-2008	Freightliner	Sprinter (HAH)
2007-2008	Dodge	Sprinter (HAH)

Daimler Truck North America-DTNA:

2008-2009	Sterling	Bullet (HAH and non-HAH)

FCA:

2006-2008	Chrysler	300, 300C, SRT8 (HAH)
2005	Chrysler	300, 300C, SRT8 (HAH and non-HAH)
2008	Dodge	Challenger (HAH)
2006-2008	Dodge	Charger (HAH)
2005	Dodge	Dakota (HAH)
2004-2005	Dodge	Durango (HAH)
2006-2008	Dodge	Magnum (HAH)
2005	Dodge	Magnum (HAH and non-HAH)
2004-2005	Dodge	Ram 1500, 2500, 3500 Pickup (HAH)

Ford:

2005-2006	Ford	GT (HAH)
2005-2008	Ford	Mustang (HAH)
2004-2005	Ford	Ranger (HAH)

GM:

2003-2007	Pontiac	Vibe (HAH)
2005	GM-Saab	9-2X (HAH)

Priority Group 1 continued...

Priority Group 1 continued from prior page...

Honda:

2003	Acura	3.2CL (HAH and non-HAH)
2002-2003	Acura	3.2TL (HAH and non-HAH)
2001-2003	Honda	Accord (HAH and non-HAH)
2001-2003	Honda	Civic (HAH and non-HAH)
2004-2005	Honda	Civic (HAH)
2003-2005	Honda	Civic IMA-Hybrid (HAH)
2003	Honda	Civic IMA-Hybrid (non-HAH)
2002	Honda	CR-V (HAH and non-HAH)
2003-2004	Honda	CR-V (HAH)
2003-2006	Honda	Element (HAH)
2002	Honda	Odyssey (HAH)
2003	Honda	Pilot (HAH and non-HAH)
2004-2005	Honda	Pilot (HAH)
2006	Honda	Ridgeline (HAH)

Mazda:

2003-2008	Mazda	Mazda6 (HAH)
2004-2008	Mazda	RX8 (HAH)
2006-2007	Mazda	Speed6 (HAH)

Mitsubishi:

2004-2006	Mitsubishi	Lancer and Lancer Evolution (HAH)
2004	Mitsubishi	Lancer Sportback (HAH)
2006-2009	Mitsubishi	Raider (HAH)

Nissan:

2002-2003	Infiniti	QX4 (HAH)
2002-2004	Nissan	Pathfinder (HAH)
2002-2004	Nissan	Sentra (HAH)

Subaru:

2004-2005	Subaru	Impreza/WRX/STI (HAH)
2005	Subaru	Legacy, Outback (HAH)

Toyota:

2007	Lexus	SC430 (HAH)
2003-2007	Toyota	Corolla (HAH)
2003-2007	Toyota	Matrix (HAH)
2005-2007	Toyota	Sequoia (HAH)
2003-2004	Toyota	Tundra (HAH)
2005-2006	Toyota	Tundra (non-HAH)

PRIORITY GROUP 2

BMW:

2000-2001	BMW	3 Series (HAH)
2002-2006	BMW	3 Series (non-HAH)
2002-2003	BMW	5 Series (HAH and non-HAH)
2003-2004	BMW	X5 SUV (HAH and non-HAH)

Daimler Vans USA:

2007-2008	Freightliner	Sprinter (non-HAH)

FCA:

2006-2008	Chrysler	300, 300C, SRT8 (non-HAH)
2009-2010	Chrysler	300, 300C, SRT8 (HAH and non-HAH)
2005	Chrysler	300, 300C, SRT8 (HAH)
2007-2008	Dodge	Aspen (HAH and non-HAH)
2008	Dodge	Challenger (non-HAH)
2009-2010	Dodge	Challenger (HAH)
2006-2008	Dodge	Charger (non-HAH)
2009-2010	Dodge	Charger (HAH and non-HAH)
2005-2011	Dodge	Dakota (HAH and non-HAH)
2004-2008	Dodge	Durango (HAH and non-HAH)
2005	Dodge	Magnum (HAH)
2006-2008	Dodge	Magnum (non-HAH)
2004-2005	Dodge	Ram 1500 Pickup (HAH)
2003	Dodge	Ram 1500, 2500, 3500 Pickup (HAH and non-HAH)
2006-2009	Dodge	Ram 1500, 2500, 3500 Pickup (HAH and non-HAH)
2006	Dodge	Ram 2500 (HAH)
2007-2008	Dodge	Ram 3500 Cab Chassis (HAH and non-HAH)
2008-2010	Dodge	Ram 4500, 5500 Cab Chassis (HAH and non-HAH)
2007-2008	Dodge	Sprinter (non-HAH)

Ford:

2005-2006	Ford	GT (HAH)
2005-2008	Ford	Mustang (non-HAH)
2009-2014	Ford	Mustang (HAH)
2006	Ford	Ranger (HAH)

GM:

2003-2007	Pontiac	Vibe (non-HAH)
2007-2008	Chev/GMC	Silverado/Sierra (HAH)

Priority Group 2 continued…

Priority Group 2 continued from prior page...

Honda:

2003-2006	Acura	MDX (HAH and non-HAH)
2004-2007	Honda	Accord (HAH and non-HAH)
2004-2005	Honda	Civic (non-HAH)
2004-2005	Honda	Civic Hybrid (non-HAH)
2005-2006	Honda	CR-V (HAH)
2003-2006	Honda	CR-V (non-HAH)
2007-2011	Honda	Element (HAH)
2003-2007	Honda	Element (non-HAH)
2003-2004	Honda	Odyssey (HAH)
2002-2004	Honda	Odyssey (non-HAH)
2006-2008	Honda	Pilot (HAH)
2004-2007	Honda	Pilot (non-HAH)
2006	Honda	Ridgeline (non-HAH)

Mazda:

2003-2008	Mazda	Mazda6 (non-HAH)
2004-2006	Mazda	B-Series (HAH)
2004-2005	Mazda	MPV (HAH)
2004-2008	Mazda	RX8 (non-HAH)
2006-2007	Mazda	Speed6 (HAH)

Mitsubishi:

2004-2006	Mitsubishi	Lancer, Lancer Evolution (non-HAH)
2004	Mitsubishi	Lancer Sportback (non-HAH)
2006-2009	Mitsubishi	Raider (non-HAH)

Nissan:

2003	Infiniti	FX (HAH)
2001	Infiniti	I30 (HAH)
2002-2003	Infiniti	I35 (HAH)
2002-2003	Infiniti	QX4 (non-HAH)
2001-2003	Nissan	Maxima (HAH)
2002-2004	Nissan	Pathfinder (HAH and non-HAH)
2004-2006	Nissan	Sentra (HAH and non-HAH)

Subaru:

2003-2005	Subaru	Legacy, Outback, Baja (HAH)

Priority Group 2 continued...

Priority Group 2 continued from prior page...

Toyota:

2007	Lexus	SC430 (non-HAH)
2003-2007	Toyota	Corolla (non-HAH)
2003-2007	Toyota	Matrix (non-HAH)
2004-2005	Toyota	RAV4 (HAH and non-HAH)
2002-2004	Toyota	Sequoia (HAH)
2005-2007	Toyota	Sequoia (non-HAH)
2003-2004	Toyota	Tundra (HAH)
2005-2006	Toyota	Tundra (non-HAH)

PRIORITY GROUP 3

BMW:

2000-2001	BMW	3 Series (non-HAH)

Daimler Vans USA:

2007-2008	Freightliner	Sprinter (non-HAH)
2007-2008	Dodge	Sprinter (non-HAH)

Ford:

2005-2006	Ford	GT (non-HAH)
2009-2014	Ford	Mustang (non-HAH)
2004-2006	Ford	Ranger (non-HAH)

GM:

2007-2008	Chev/GMC	Silverado/Sierra (non-HAH)
2005	GM-Saab	9-2X (non-HAH)

Honda:

2005	Honda	RL (HAH and non-HAH)
2008-2011	Honda	Element (non-HAH)
2008	Honda	Pilot (non-HAH)

Mazda:

2004-2006	Mazda	B-Series (non-HAH)

Nissan:

2003	Infiniti	FX (non-HAH)
2004-2005	Infiniti	FX (HAH and non-HAH)
2001	Infiniti	I30 (non-HAH)
2002-2004	Infiniti	I35 (HAH and non-HAH)
2006	Infiniti	M (HAH and non-HAH)
2001-2003	Nissan	Maxima (non-HAH)

Subaru:

2004-2005	Subaru	Impreza/WRX/STI (non-HAH)
2003-2004	Subaru	Legacy, Outback, Baja (non-HAH)

Toyota:

2002-2006	Lexus	SC430 (HAH and non-HAH)
2002-2004	Toyota	Sequoia (non-HAH)
2003-2004	Toyota	Tundra (non-HAH)

Appendix C

The Independent Monitor of Takata and the Coordinated Remedy Program

Consent Order, dated November 3, 2015

UNITED STATES DEPARTMENT OF TRANSPORTATION
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION
1200 New Jersey Avenue SE
Washington, D.C. 20590

In re:	)
	)
EA15-001	)
Air Bag Inflator Rupture	)
	)
	)

CONSENT ORDER

This Consent Order is issued pursuant to the authority of the National Highway Traffic Safety Administration ("NHTSA"), an operating administration of the U.S. Department of Transportation, to resolve issues of liability raised in the above-captioned investigation, to mitigate and control risks of harm, and to promote public safety. This Consent Order sets forth the penalties, requirements, and performance obligations agreed to by TK Holdings Inc. ("Takata"), in connection with Takata's alleged failure to fully comply with the requirements of the National Traffic and Motor Vehicle Safety Act of 1966 as amended and recodified (the "Safety Act"), 49 U.S.C. § 30101, *et seq.*, and applicable regulations thereunder, as detailed herein.

The Consent Order of May 18, 2015, issued by NHTSA in this matter and agreed to by Takata, remains in effect and is hereby incorporated by reference, and its terms and conditions are made a part of this Consent Order as if set forth fully herein.

I. NATURE OF THE ACTION

1. The Safety Act provides for regulation of motor vehicles and motor vehicle equipment by the Secretary of Transportation. The Secretary has delegated his authorities under the Safety Act to the NHTSA Administrator, 49 C.F.R. §§ 1.95(a), 501.2(a)(1).

2. The Safety Act and applicable regulations impose certain obligations on manufacturers of motor vehicles and motor vehicle equipment to provide timely notice to NHTSA in particular circumstances where the manufacturer has determined in good faith that its motor vehicles or items of equipment contain a defect related to motor vehicle safety or do not comply with a Federal Motor Vehicle Safety Standard. *See* 49 U.S.C. § 30118(c); 49 C.F.R. § 573.3(e)(f); 49 C.F.R. § 573.6(a). Such notice, in the form of a Defect Information Report, is required not more than five working days after the manufacturer knew or should have known of a potential defect in its motor vehicle or motor vehicle equipment that poses an unreasonable risk to safety, or a non-compliance in its vehicles or equipment. *See* 49 C.F.R. § 573.6(a); *see also United States v. General Motors Corp.*, 656 F. Supp. 1555, 1559 n.5 (D.D.C. 1987); *United States v. General Motors Corp.*, 574 F. Supp. 1047, 1049-50 (D.D.C. 1983).

3. The Safety Act and applicable regulations impose certain obligations on manufacturers to preserve records that are needed for the proper investigation, and adjudication or other disposition, of possible defects related to motor vehicle safety. 49 U.S.C. § 30166(e); 49 C.F.R. § 576.2. The records to be maintained by manufacturers include documentary materials that contain information concerning malfunctions that may be related to motor vehicle safety. 49 C.F.R. § 576.6. Such malfunctions include any failure in performance that could, in any reasonably foreseeable manner, be a causative factor in, or aggravate, an accident or an injury to a person. 49 C.F.R. § 576.8.

4. The Safety Act and applicable regulations impose certain obligations on manufacturers to provide timely, accurate, and complete information and cooperation in response to requests from NHTSA in connection with the investigation of potential risks to safety. *See* 49 U.S.C. §§ 30166(c), 30166(e).

5. A person who violates the defect notification requirements of the Safety Act, or a regulation thereunder, is currently liable to the United States Government for a civil penalty of not more than $7,000 for each violation, subject to a limit of $35,000,000 for a related series of violations. *See* 49 U.S.C. § 30165(a)(1); 49 C.F.R. § 578.6(a)(1). A person who fails to comply with the records retention and/or reporting obligations of section 30166 is currently liable for penalties of up to $7,000 per day per violation, subject to a limit of $35,000,000 for a related series of violations. 49 U.S.C. § 30165(a)(3); 49 C.F.R. § 578.6(a)(3). A separate violation occurs for each item of motor vehicle equipment and for each failure or refusal to allow or perform a required act. 49 U.S.C. § 30165(a)(1); 49 C.F.R. § 578.6(a)(1).

6. Takata is a manufacturer of motor vehicle equipment within the meaning of the Safety Act, *see* 49 U.S.C. §§ 30102(a)(5), 30102(a)(7), and a person within the meaning of 49 U.S.C. § 30165.

II. BACKGROUND

7. On June 11, 2014, NHTSA opened a formal defect investigation (Preliminary Evaluation, PE14-016) into certain Takata air bag inflators that may become over-pressurized and rupture during air bag deployment, resulting in injury to the driver and/or passenger.

8. During the course of PE14-016, NHTSA issued two Special Orders to Takata, one on October 30, 2014 and one on November 18, 2014, and one General Order to Takata and the affected motor vehicles manufacturers on November 18, 2014, all of which requested documents and information related to the investigation.

9. On February 24, 2015, NHTSA upgraded and expanded its investigation to include various model year 2001-2011 motor vehicles, which contain air bag inflators manufactured by Takata (Engineering Analysis, EA15-001).

10. On May 18, 2015, Takata filed four Defect Information Reports with NHTSA in accordance with 49 C.F.R. § 573.6 (the "Takata DIRs"). In those Takata DIRs, Takata identified a defect related to motor vehicle safety that may arise in some of the frontal air bag inflator types that it has manufactured. The Takata DIRs have been designated by NHTSA as Recall Nos. 15E-040, 15E-041, 15E-042, and 15E-043.

11. On May 18, 2015, in connection with the filing of the Takata DIRs, Takata agreed to and NHTSA issued a Consent Order in EA15-001 (the "First Takata Consent Order"). Under the terms of the First Takata Consent Order, Takata was required to continue its cooperation in NHTSA investigation EA15-001; continue its cooperation in all regulatory actions and proceedings that may become part of NHTSA's ongoing investigation and oversight of Takata air bag inflators; submit a plan to NHTSA outlining the steps Takata would take to maximize recall completion rates (the "'Get the Word Out' Digital Outreach Plan"); and submit a plan to provide NHTSA with test data and other information regarding the service life and safety of the remedy inflators (the "Proposed Plan to Test the Service Life and Safety of Certain Inflators"). *See* First Takata Consent Order at ¶¶ 7, 10. To date, Takata has substantially complied with the First Takata Consent Order.

12. On June 5, 2015, NHTSA issued a Notice of Coordinated Remedy Program Proceeding for the Replacement of Certain Takata Air Bag Inflators, and opened Docket No. NHTSA-2015-0055, to determine what action, if any, the agency should undertake to prioritize, organize, and phase the recall and remedy programs related to the Takata DIRs. *See* 80 Fed. Reg. 32197 (June 5, 2015).

13. Since commencing the Coordinated Remedy Program Proceeding, NHTSA has issued two additional Special Orders to Takata - one on June 19, 2015 and one on August 13,

2015. The Special Orders sought documents and information relevant to NHTSA's investigation and the Coordinated Remedy Program Proceeding. To date, Takata has substantially complied with these Special Orders.

III. FINDINGS

14. During the course of NHTSA's investigation, including its review of Takata's responses to the Special Orders issued by NHTSA, its review of documents produced by Takata, and its review of information proactively disclosed by Takata, the agency has discovered facts and circumstances indicating that Takata may have violated the Safety Act and the regulations thereunder in at least some respects; including possible violations of 49 U.S.C. § 30118(c)(1), 49 U.S.C. § 30119(c)(2), 49 U.S.C. § 30166, 49 C.F.R. § 573.3(e)-(f), and 49 C.F.R. § 573.6(b). It is the mutual desire of NHTSA and Takata to resolve these alleged violations, without the need for further action, to avoid the legal expenses and other costs of a protracted dispute and potential litigation, as well as to establish remedial measures with the purpose of mitigating risk and deterring future violations.

15. More specifically, during the course of NHTSA's investigation, the agency has discovered facts and circumstances indicating that:

a. Takata failed to provide notice to NHTSA of the safety-related defect that may arise in some of the inflators that are the subjects of Recall Nos. 13E-017, 14E-073, 15E-040, 15E-041, 15E-042, and 15E-043 within five working days of when Takata determined, or in good faith should have determined, the existence of that defect.

b. In several instances, Takata produced testing reports that contained selective, incomplete, or inaccurate data.

c. Takata failed to clarify inaccurate information provided to NHTSA, including, but not limited to, during a presentation made to the agency in January 2012.

d. Takata failed to comply fully with the instructions contained in the Special Orders issued by NHTSA on October 30, 2014 and November 18, 2014, as set forth more fully in the agency's February 20, 2015 letter to Takata.

IV. LEGAL AUTHORITY

16. NHTSA issues this Consent Order pursuant to its authority under the Safety Act, 49 U.S.C. § 30101, *et seq.*, as delegated by the Secretary of Transportation, 49 C.F.R. §§ 1.95, 501.2(a)(1), including, among other things, its authority to inspect and investigate, 49 U.S.C. § 30166(b)(1); compromise the amount of civil penalties, 49 U.S.C. § 30165(b); ensure that defective vehicles and equipment are recalled, 49 U.S.C. §§ 30118-30119; ensure the adequacy of recalls, 49 U.S.C. § 30120(c)(1); accelerate remedy programs, 49 U.S.C. § 30120(c)(3); and require any person to file reports or answers to specific questions, 49 U.S.C. § 30166(g). In consideration of Takata's entry into this Consent Order and its commitments outlined below, it is AGREED by Takata and ORDERED by NHTSA as follows:

V. TERMS AND CONDITIONS OF CONSENT ORDER

Safety Act Admissions

17. Takata admits that it did not satisfy the notice provisions of the Safety Act when it failed to provide notice to NHTSA of certain information potentially relevant to one or more of the safety-related defects that may arise in some of the inflators that are the subjects of Recall Nos. 13E-017, 14E-073, 15E-040, 15E-041, 15E-042, and 15E-043 within the five-day period provided by the Safety Act and regulations prescribed thereunder in 49 U.S.C. § 30118(c)(1),

49 U.S.C. § 30119(c)(2), 49 C.F.R. § 573.3(e)-(f), and 49 C.F.R. § 573.6(b), which at the time Takata did not believe was required.

18. Takata admits that it failed to provide, within the time limits requested by NHTSA, an explanation of certain documents produced to NHTSA pursuant to the Special Orders issued by NHTSA on October 30, 2014 and November 18, 2014.

Civil Penalty

19. Subject to the terms in the remainder of this Paragraph 19, Takata shall pay a civil penalty in the sum of two hundred million dollars ($200,000,000) in connection with the matters addressed in this Consent Order, as follows:

a. The sum of seventy million dollars ($70,000,000) shall be paid as the Civil Penalty Amount in accordance with the instructions set forth in Paragraph 20.

b. The sum of sixty million dollars ($60,000,000), in the form of Stipulated Civil Penalties, shall be deferred and held in abeyance pending satisfactory completion of Paragraph 26.b.

c. The sum of seventy million dollars ($70,000,000), in the form of Liquidated Penalties, shall be deferred and held in abeyance, and shall become due and payable in the increments described in Paragraphs 26.a. and 47 below, in the event NHTSA determines that Takata entered into any new contract for the manufacture and sale of any Takata PSAN inflator after the date of this Consent Order, or committed a violation of the Safety Act or the regulations prescribed thereunder, which was not disclosed to NHTSA as of the date of this Consent Order.

20. Takata shall pay the Civil Penalty Amount of seventy million dollars ($70,000,000) in six lump-sum payments by electronic funds transfer to the U.S. Treasury, in

accordance with the instructions provided by NHTSA. The payments shall be made on the following schedule:

	Date	Amount
First Payment	February 1, 2016	$10,000,000
Second Payment	October 31, 2016	$10,000,000
Third Payment	October 31, 2017	$10,000,000
Fourth Payment	October 31, 2018	$10,000,000
Fifth Payment	October 31, 2019	$15,000,000
Sixth Payment	October 31, 2020	$15,000,000

21. Takata admits that it has an obligation to the United States in the amount of two hundred million dollars ($200,000,000), as provided for in Paragraph 19 above, arising from activities under the jurisdiction of the U.S. Department of Transportation and subject to the Federal Claims Collection Act of 1966, as amended and codified at 31 U.S.C. § 3701, *et seq.* (hereinafter the "Claims Collection Act").

22. If Takata fails to make the payment of the Civil Penalty Amount set forth in Paragraph 20 above, or any payment of Stipulated Civil Penalties or Liquidated Penalties, as may be imposed in accordance with Paragraphs 26.a., 26.b., and 47, on or before their respective due dates, Takata shall be in default of this Consent Order and any unpaid amounts shall become immediately due and owing. In that event, (i) Takata agrees not to contest any collection action undertaken by NHTSA or the United States pursuant to the Claims Collection Act and U.S. Department of Transportation regulations, 49 C.F.R. § 89, either administratively or in any court, and (ii) Takata shall affirmatively waive any and all defenses or rights that would otherwise be available to it in any such collection proceeding. In addition, in such a proceeding, Takata shall pay the United States all reasonable costs of collection and enforcement, including attorneys' fees and expenses.

23. In determining the appropriate amount of the civil penalty to be imposed, the agency has taken into consideration the purpose and objectives of the Safety Act (including the relevant factors set forth at 49 U.S.C. § 30165(c)), as well as the actions and commitments of Takata, including: Takata's willingness to enter into this Consent Order; Takata's decision to terminate certain employees; Takata's continued commitment to cooperate in the agency's ongoing investigation of air bag inflator ruptures, EA15-001, and its commitment to cooperate in the Coordinated Remedy Program announced by NHTSA on November 3, 2015, as set forth in Paragraph 32 below; Takata's commitment to improving its internal safety culture, as set forth in Paragraph 33 below; and the substantial costs Takata will incur in implementing and completing its "Get the Word Out" Digital Outreach Plan, its Proposed Plan to Test the Service Life and Safety of Certain Inflators, and the other obligations of this Consent Order.

Phase Out of Certain Takata PSAN Inflators

24. Takata states that air bags equipped with inflators containing phase-stabilized ammonium nitrate-based propellants (the "Takata PSAN inflators") have generally performed as intended and in the vast majority of cases deploy safely and are effective in saving lives and preventing serious injuries in motor vehicle accidents. Takata further states that it continues to have confidence in the safety of the Takata PSAN inflators it is manufacturing for use in air bags. NHTSA does not share this same confidence in the long-term performance of such inflators, particularly those that do not contain a desiccant;[1] including, but not limited to, the following inflator types: SDI, PSDI, PSDI-4, PSDI-4K, SPI, PSPI, and PSPI-L (the "non-desiccated Takata PSAN inflators"). In order to reach this resolution with NHTSA, and

[1] A desiccant is hygroscopic substance that has a high affinity for moisture and is used as a drying agent.

considering the commercial needs of its customers, Takata has agreed to phase out of the manufacture and sale of certain Takata PSAN inflators, as described below.

25. To mitigate and control the risk of serious injury or death due to an air bag inflator rupture, and in light of the significant population of vehicles containing Takata inflators, as well as Takata's current understanding of the defect that may arise in some inflators, as set forth in the Takata DIRs (*i.e.*, that "the inflator ruptures appear to have a multi-factor root cause that includes the slow-acting effects of a persistent and long term exposure to climates with high temperatures and high absolute humidity"), the agency believes there is a principled basis to allow Takata, on the schedule set forth below, to phase out of its manufacture and sale of certain Takata PSAN inflators and to continue testing the safety and service life of the Takata PSAN inflators, as set forth in Paragraphs 26-28 below. Based upon the agency's analysis and judgment, this approach best meets the objectives of the Safety Act, while taking into account the size of the affected vehicle population, the apparent nature of the defect mechanism, and other factors as they are best known and understood as of the date of this Consent Order. That being said, NHTSA states that Takata has studied this complex problem for at least the last eight years and, to date, does not have a definitive root cause. The agency does not believe that the American public will be well served if the root cause investigation continues indefinitely. The agency further believes there is a principled basis to require Takata to either demonstrate the safety of the Takata PSAN inflators, or file Defect Information Reports, as set forth in Paragraphs 29-30 below.

NHTSA reserves the right to alter the schedules set forth in Paragraphs 26 and 30 through a final order if NHTSA determines that such alteration is required by the Safety Act based on the occurrence of future field ruptures, testing (whether conducted by Takata, NHTSA, or any other

third party), or other circumstances to mitigate an unreasonable risk to safety within the meaning of the Safety Act. Any such order altering the schedules set forth in Paragraphs 26 and 30 will focus on particular types of inflators, on particular periods of manufacture, and on specific vehicles (including, where applicable, vehicle models, model years, and locations of vehicle registration). NHTSA will provide Takata reasonable advance notice of such a proposed order and an opportunity to consult with affected vehicle manufacturers. Upon a schedule to be determined by the Administrator, Takata will have an opportunity to present evidence and seek administrative reconsideration by NHTSA. Takata's objection to, or failure to comply with, any final order issued by NHTSA may be the subject of a civil action regarding Takata's obligations under any such order, including an action to compel specific performance.

26. **New and Existing Contracts.** Takata shall phase out of the manufacture and sale of certain Takata PSAN inflators for use in the United States, as set forth in this Paragraph.

a. With respect to new contracts, Takata shall not, and hereby represents that it has not since October 31, 2015, commit, contract for sale or resale, offer, provision for use, or otherwise agree to place into the stream of commerce of the United States any Takata PSAN inflator, regardless of whether it contains 2004 propellant or 2004L propellant, and regardless of whether or not it contains desiccant. If Takata violates this Paragraph 26.a., then Takata shall pay Liquidated Penalties as follows: for the first such violation, Takata shall make a lump-sum payment of five million dollars ($5,000,000); for the second such violation, Takata shall make a lump-sum payment of ten million dollars ($10,000,000); and for the third such violation, Takata shall make a lump-sum payment of twenty million dollars ($20,000,000). Each payment of such Liquidated Penalties shall be made by electronic funds transfer to the U.S. Treasury within ten

business days of a final determination of the violation by NHTSA (following a reasonable opportunity for Takata to seek review of the determination), in accordance with the instructions provided by NHTSA. Nothing in this paragraph bars Takata from (1) selling or shipping service or replacement parts for the types of inflators covered by supply contracts existing prior to October 31, 2015, or (2) committing, selling, offering, provisioning for use, or otherwise agreeing to supply Takata PSAN inflator types that contain desiccant in lieu of non-desiccated Takata PSAN inflators; provided, however, that the manufacture and sale may be limited in case of: (i) any non-desiccated Takata PSAN inflators by Paragraph 26.b. and (ii) any desiccated Takata PSAN inflators (as defined in Paragraph 26.c. below) by Paragraph 26.c.

b. With respect to contracts entered into before October 31, 2015, under which Takata is currently obligated to manufacture and sell non-desiccated Takata PSAN inflators in the future, Takata shall phase out of the manufacture and sale of such non-desiccated Takata PSAN inflators for use in the United States, including for use as remedy parts in connection with any existing recall campaign, on the following schedule:

[SCHEDULE FOLLOWS ON NEXT PAGE]

Deadline	Description of Phase Out Commitment
By Dec. 31, 2015	Less than 50% of driver inflators Takata supplies for use in the U.S. will be non-desiccated Takata PSAN inflators.
By Dec. 31, 2016	Less than 10% of driver inflators Takata supplies for use in the U.S. will be non-desiccated Takata PSAN inflators, and none of which shall contain the "Batwing" shaped propellant wafer.
By Dec. 31, 2017	Takata will stop supplying non-desiccated Takata PSAN driver inflators for use in the U.S., subject to de minimis exceptions for the necessary supply of service parts, but only as approved by NHTSA in writing.
By Dec. 31, 2016	Less than 50% of passenger and side inflators Takata supplies for use in the U.S. will be non-desiccated Takata PSAN inflators.
By Dec. 31, 2017	Less than 10% of passenger and side inflators Takata supplies for use in the U.S. will be non-desiccated Takata PSAN inflators.
By Dec. 31, 2018	Takata will stop supplying non-desiccated Takata PSAN passenger and side inflators for use in the U.S., subject to de minimis exceptions for the necessary supply of service parts, but only as approved by NHTSA in writing.

Takata shall submit to NHTSA a declaration executed by a senior officer, under oath and pursuant to 28 U.S.C. § 1746, within fourteen business days after each deadline set forth above, certifying that it has met the deadline. For purposes of meeting each deadline, Takata may rely on reasonable, good faith estimates or on reasonable representations from vehicle manufacturers in identifying or quantifying inflators produced for use in the United States. If Takata fails to comply with any deadline set forth in this Paragraph 26.b., then Takata shall pay Stipulated Civil Penalties in the amount of $10 million per deadline missed. To the extent such stipulated penalties become due and owing, they shall be paid by wire transfer within ten business days of the missed deadline in accordance with the instructions provided by NHTSA. The payment of Stipulated Civil Penalties **does not** relieve Takata of its obligation to perform as required by this Paragraph 26.b., the continued failure of which may be the subject of a civil action compelling Takata's specific performance.

c. With respect to contracts entered into before October 31, 2015, under which Takata is currently obligated to manufacture and sell Takata PSAN inflator types that contain desiccant (the "desiccated Takata PSAN inflators"), including, but not limited to, SDI-X, PSDI-5, PSDI-X, SPI-X, PSPI-X, SDI-X 1.7, PDP, and SDP, Takata may continue to manufacture and sell such inflators in accordance with those existing contracts and purchase orders. However, NHTSA reserves the right to order Takata to phase out of the manufacture and sale of the desiccated Takata PSAN inflators if NHTSA determines that such a phase out is required by the Safety Act based on the occurrence of future field ruptures, testing (whether conducted by Takata, NHTSA, or any other third party), or other circumstances to mitigate an unreasonable risk to safety within the meaning of the Safety Act. Any such order will focus on particular types of inflators, on particular periods of manufacture, and on specific vehicles (including, where applicable, vehicle models, model years, and locations of vehicle registration). NHTSA will provide Takata reasonable advance notice of such a proposed order and an opportunity to consult with affected vehicle manufacturers. Upon a schedule to be determined by the Administrator, Takata will have an opportunity to present evidence and seek administrative reconsideration by NHTSA. Takata's objection to, or failure to comply with, any final order issued by NHTSA may be the subject of a civil action regarding Takata's obligations under any such order, including an action to compel specific performance.

Further Testing of Takata PSAN Inflators and Potential Future Recalls

27. **Testing of Non-Desiccated Takata PSAN Inflators.** Takata shall continue its current service life and safety testing of non-desiccated Takata PSAN inflators. Takata shall

provide frequent updates to NHTSA on the status of this effort and test results, and shall respond fully and accurately to any request for information by the agency.

28. **Testing of Desiccated Takata PSAN Inflators.** Takata shall extend its current service life and safety testing to include testing of desiccated Takata PSAN inflators, with the cooperation of the vehicle manufacturers, to determine the service life and safety of such inflators, and to determine whether, and to what extent, these inflator types suffer from a defect condition, regardless of whether it is the same or similar to the conditions at issue in the Takata DIRs. Takata shall provide frequent updates to NHTSA on the status of this effort and test results, and shall respond fully and accurately to any request for information by the agency.

29. **Agency Defect Determinations.** At any time, the Associate Administrator for Enforcement may make a determination that a defect within the meaning of the Safety Act – *i.e.*, a defect that presents an unreasonable risk to safety – exists in any Takata PSAN inflator type, whether non-desiccated or desiccated, based upon: (a) the occurrence of a field rupture(s) of that Takata PSAN inflator type, (b) testing data and analysis relating to the propensity for rupture of that Takata PSAN inflator type, (c) Takata's ultimate determinations concerning the safety and/or service life of any Takata PSAN inflator type, (d) the determination of root cause of inflator ruptures by any credible source, or (e) other appropriate evidence. Within five business days of receiving such a determination by NHTSA, which shall set forth the basis for the defect determination, Takata shall either submit an appropriate Defect Information Report to the agency or provide written notice that it disputes NHTSA's defect determination. Takata may consult with affected vehicle manufacturers and, upon a schedule to be determined by the Administrator, may present evidence supporting its position, after which the Administrator shall make a final decision. If, after consideration of Takata's submission, the Administrator ultimately concludes

that a defect related to motor vehicle safety exists, then he or she may issue a final order directing Takata to submit the appropriate Defect Information Report(s) to the agency within five business days of the issuance of the order. Any such order will focus on particular types of inflators, on particular periods of manufacture, and on specific vehicles (including, where applicable, vehicle models, model years, and locations of vehicle registration). Takata's objection to, or failure to comply with, any final order issued by NHTSA may be the subject of a civil action regarding Takata's obligations under any such order, including an action to compel specific performance.

30. ***De Facto* Defect Determinations.** If no root cause of field ruptures of the relevant type of inflator has been determined by Takata or any other credible source, or if Takata has not otherwise been able to make a showing to NHTSA concerning the safety and/or service life of any of the Takata PSAN inflators to NHTSA's satisfaction by December 31, 2018 for non-desiccated Takata PSAN inflators and by December 31, 2019 for desiccated Takata PSAN inflators, then the Administrator may issue one or more final orders setting forth a schedule on which Takata shall submit Defect Information Reports to the agency for the relevant Takata PSAN inflators. Any such order will focus on particular types of inflators, on particular periods of manufacture, and on specific vehicles (including, where applicable, vehicle models, model years, and locations of vehicle registration). NHTSA will provide Takata reasonable advance notice of such a proposed order and an opportunity to consult with affected vehicle manufacturers. Upon a schedule to be determined by the Administrator, Takata will have an opportunity to present evidence and seek administrative reconsideration by NHTSA. Takata's objection to, or failure to comply with, any final order issued by NHTSA may be the subject of a

civil action regarding Takata's obligations under any such order, including an action to compel specific performance.

31. Nothing in this Consent Order, specifically including Paragraphs 25-30, shall relieve Takata of its obligation to make any defect determination and/or to file any Defect Information Report that is required by 49 C.F.R. §§ 573.3(e)-(f), and 573.6(a).

Other Performance Obligations

32. **Cooperation.**

a. Takata shall comply with its obligations under the Safety Act, and regulations prescribed thereunder, to take all actions reasonably necessary to comply with this Consent Order and to cooperate with NHTSA in carrying out the requirements of this Consent Order. Takata's reasonable best efforts shall include, but shall not be limited to, (i) providing prompt notice to NHTSA in the event any requirement of this Consent Order cannot be met or timely met; and (ii) ensuring that Takata employees involved in carrying out the requirements of this Consent Order are kept well-informed and are allocated sufficient time during their working hours to enable them thoroughly and effectively to perform the actions necessary to carry out those requirements.

b. Takata shall continue to cooperate with NHTSA in its ongoing investigation and oversight of Takata air bag inflators, including, but not limited to, NHTSA Investigation EA15-001.

c. Takata shall continue to cooperate in all regulatory actions and proceedings that are part of NHTSA's ongoing investigation and oversight of defective Takata air bag inflators and accompanying remedial actions, including, but not limited to,

the Coordinated Remedy Program, as announced by NHTSA in the Coordinated Remedy Order issued on November 3, 2015.

33. **Internal Safety Culture Improvements.** Takata shall work diligently to correct any lapses and improve its safety culture, as follows:

a. *Report of Internal Investigation.* Through counsel, Takata shall provide a detailed written report to NHTSA regarding the history of the rupturing inflator issues giving rise to Recall Nos. 15E-040, 15E-041, 15E-042, and 15E-043 no later than June 30, 2016. The written report shall include a summary of the facts, internal discussions and decision-making, safety lapses that Takata has uncovered, and steps taken by Takata to mitigate the risk. Takata shall not assert any claim of confidentiality or privilege with respect to this report, which shall be made publicly available by NHTSA.

b. *Confirmation of Employee Termination.* Within sixty days of the execution of this Consent Order, Takata shall submit written notice to NHTSA, confirming the identities of the individuals whose employment has been terminated as a result of, or in relation to, Takata's review of the subject matter of this Consent Order.

c. *Chief Safety Assurance and Accountability Officer.* Within sixty days following execution of this Consent Order, Takata shall designate a Chief Safety Assurance and Accountability Officer, who shall have independent authority within Takata to oversee compliance by Takata and its employees with the process improvements, written procedures, and training programs established by the Monitor. The Chief Safety Assurance and Accountability Officer is a permanent position and shall report directly to the board of directors of Takata. Takata shall provide him or her with sufficient staff and resources to carry out the duties contemplated by this Paragraph 33.c.

fully, efficiently, and without the need for burdensome approvals or administrative delays.

d. *Improvements to Internal Whistleblower Reporting.* Takata shall ensure that its existing whistleblower process permits and encourages its employees to expeditiously report concerns regarding irregularities in customer test data, malfunctions, actual or potential safety-related defects, or actual or potential noncompliance with Federal Motor Vehicle Safety Standards. Takata shall establish and rigorously enforce a non-retaliation policy for employees who report such concerns. No later than ninety days following execution of this Consent Order, Takata shall provide NHTSA with written documentation describing the process and policy for whistleblower reporting, as described in this Paragraph 33.d.

34. **Meetings with NHTSA.** Takata shall meet with NHTSA within ninety days of the execution of this Consent Order to discuss the steps it has taken pursuant to this Consent Order, and the process improvements, written procedures, and training programs being developed and implemented by the Monitor and Chief Safety Assurance and Accountability Officer. Takata shall work with NHTSA to evaluate which recommendations, process improvements, and training programs are appropriate for implementation and will develop a detailed written plan to implement any recommendations deemed appropriate. Takata shall thereafter meet with NHTSA on a quarterly basis for one year to discuss Takata's implementation of any recommendations NHTSA determines are appropriate. Takata agrees that, absent compelling circumstances, Kevin M. Kennedy, Executive Vice President of Takata (or his successor, if applicable), will attend the meetings, along with any other Takata officials, employees, or representatives whom Takata considers appropriate attendees. NHTSA may

extend the period of time for periodic meetings (no more frequently than once per quarter) pursuant to this Paragraph 34 for up to the term of this Consent Order.

Independent Monitor

Takata agrees to retain, at its sole cost and expense, an independent monitor (the "Monitor") whose powers, rights and responsibilities shall be as set forth below.

35. **Jurisdiction, Powers, and Oversight Authority.** The scope of the Monitor's authority is: (i) to review and assess Takata's compliance with this Consent Order, including, but not limited to, Takata's phasing out of the manufacture and sale of PSAN inflators, as described in Paragraph 26, its testing efforts, as set forth in Paragraphs 27-28, and the internal safety improvements described in Paragraph 33.a.-d. above; (ii) to monitor Takata's compliance with the First Takata Consent Order, including its compliance with, and any alterations to, its "Get the Word Out" Digital Outreach Plan and its Proposed Pan to Test the Service Life and Safety of Certain Inflators; and (iii) to oversee, monitor, and assess compliance with the Coordinated Remedy Program, as set forth in the Coordinated Remedy Order issued by NHTSA on November 3, 2015.

It is expected and agreed that the Monitor will develop and implement process improvements, written procedures, and training programs and may make additional recommendations aimed at enhancing Takata's ability to detect, investigate, and resolve potential safety related concerns. The Monitor will oversee the activities of the Chief Safety Assurance and Accountability Officer and, in the event of a dispute, the advice and recommendations of the Monitor will be controlling. The Monitor is not intended to supplant NHTSA's authority over decisions related to motor vehicle safety. Except as expressly set forth below, the authority granted to the Monitor shall not include the authority to exercise oversight, or to participate in,

decisions by Takata about product offerings, decisions relating to product development, engineering of equipment, capital allocation, and investment decisions.

The Monitor's jurisdiction, powers, and oversight authority and duties are to be broadly construed, subject to the following limitation: the Monitor's responsibilities shall be limited to Takata's activities in the United States, and to the extent the Monitor seeks information outside the United States, compliance with such requests shall be consistent with the applicable legal principles in that jurisdiction. Takata shall adopt all recommendations submitted by the Monitor unless Takata objects to any recommendation and NHTSA agrees that adoption of such recommendation should not be required.

36. **Access to Information.** The Monitor shall have the authority to take such reasonable steps, in the Monitor's view, as necessary to be fully informed about those operations of Takata within or related to his or her jurisdiction. To that end, the Monitor shall have:

a. Access to, and the right to make copies of, any and all non-privileged books, records, accounts, correspondence, files, and any and all other documents or electronic records, including e-mails, of Takata and its subsidiaries, and of officers, agents, and employees of Takata and its subsidiaries, within or related to his or her jurisdiction that are located in the United States; and

b. The right to interview any officer, employee, agent, or consultant of Takata conducting business in or present in the United States and to participate in any meeting in the United States concerning any matter within or relating to the Monitor's jurisdiction; provided, however, that during any such interview, such officer, employee, agent, or consultant shall have the right to counsel and shall not be required to disclose privileged information.

c. To the extent that the Monitor seeks access to information contained within privileged documents or materials, Takata shall use its best efforts to provide the Monitor with the information without compromising the asserted privilege.

37. **Confidentiality.**

a. The Monitor shall maintain the confidentiality of any non-public information entrusted or made available to the Monitor. The Monitor shall share such information only with NHTSA, except that the Monitor may also determine in consultation with NHTSA that such information should be shared with the U.S. Department of Justice and/or other federal agencies.

b. The Monitor shall sign a non-disclosure agreement with Takata prohibiting disclosure of information received from Takata to anyone other than NHTSA or anyone designated by NHTSA or hired by the Monitor. Within thirty days after the end of the Monitor's term, the Monitor shall either return anything obtained from Takata, or certify that such information has been destroyed. Anyone hired or retained by the Monitor shall also sign a non-disclosure agreement with similar return or destruction requirements as set forth in this subparagraph.

38. **Hiring Authority.** The Monitor shall have the authority to employ, subject to ordinary and customary engagement terms, legal counsel, consultants, investigators, experts, and any other personnel reasonably necessary to assist in the proper discharge of the Monitor's duties.

39. **Implementing Authority.** The Monitor shall have the authority to take any other actions in the United States that are reasonably necessary to effectuate the Monitor's oversight and monitoring responsibilities.

40. **Selection and Termination.**

a. *Term.* The Monitor's authority set forth herein shall extend for a period of five years from the commencement of the Monitor's duties, except that (a) in the event NHTSA determines during the period of the Monitorship (or any extensions thereof) that Takata has violated any provision of this Consent Order, an extension of the period of the Monitorship may be imposed in the sole discretion of NHTSA, up to an additional one-year extension, but in no event shall the total term of the Monitorship exceed the term of this Consent Order; and (b) in the event NHTSA, in its sole discretion, determines during the period of the Monitorship that the employment of a Monitor is no longer necessary to carry out the purposes of this Agreement, NHTSA may shorten the period of the Monitorship, in accordance with subparagraph c.

b. *Selection.* NHTSA shall consult with Takata, including soliciting nominations from Takata, using its best efforts to select and appoint a mutually acceptable Monitor (and any replacement Monitors, if required) as promptly as possible. In the event NHTSA is unable to identify a Monitor who is acceptable to Takata, NHTSA shall have the sole right to select a Monitor (and any replacement Monitors, if required).

c. *Termination.* NHTSA shall have the right to terminate the retention of the Monitor at any time for cause, which termination shall be effective immediately. Termination for cause shall include termination for: (i) intentional nonperformance, misperformance, or gross negligence in the performance of the duties set forth in Paragraph 35; (ii) failure to report to NHTSA in the timeframe and manner specified in Paragraph 42; (iii) willful dishonesty, fraud or misconduct; (iv) conviction of, or a plea of nolo contendere to, a felony or other crime involving moral turpitude; or (v) the

commission of any act materially inconsistent with the object and purpose of this Consent Order and/or the Safety Act.

Upon the mutual agreement of NHTSA and Takata, the Monitor's retention may be terminated without cause upon thirty days prior written notice to the Monitor.

41. **Notice regarding the Monitor; Monitor's Authority to Act on Information received from Employees; No Penalty for Reporting.** Takata shall establish an independent, toll-free answering service to facilitate communication anonymously or otherwise with the Monitor. Within ten days of the commencement of the Monitor's duties, Takata shall advise its employees of the appointment of the Monitor, the Monitor's powers and duties as set forth in this Agreement, a toll-free telephone number established for contacting the Monitor, and email and mail addresses designated by the Monitor. Such notice shall inform employees that they may communicate with the Monitor anonymously or otherwise, and that no agent, consultant, or employee of Takata shall be penalized in any way for providing information to the Monitor (unless the Monitor determines that the agent, consultant, or employee has intentionally provided false information to the Monitor). In addition, such notice shall direct that, if an employee is aware of any violation of any law or any unethical conduct that has not been reported to an appropriate federal, state or municipal agency, the employee is obligated to report such violation or conduct to the Monitor. The Monitor shall have access to all communications made using this toll-free number. The Monitor has the sole discretion to determine whether the toll-free number is sufficient to permit confidential and/or anonymous communications or whether the establishment of an additional or different toll-free number is required.

42. **Reports to NHTSA.** The Monitor shall keep records of his or her activities, including copies of all correspondence and telephone logs, as well as records relating to actions

taken in response to correspondence or telephone calls. If potentially illegal or unethical conduct is reported to the Monitor, the Monitor may, at his or her option, conduct an investigation, and/or refer the matter to NHTSA and/or the U.S. Department of Justice. The Monitor may report to NHTSA whenever the Monitor deems fit but, in any event, shall file written reports not less often than every four months regarding: the Monitor's activities; whether Takata is complying with the terms of this Consent Order; any changes that are necessary to foster Takata's compliance with the Safety Act and/or any regulation promulgated thereunder; and any developments associated with the Coordinated Remedy Program. Sixty days prior to the scheduled expiration of his or her term, the Monitor shall submit a closing report to NHTSA assessing Takata's record of compliance with the requirements of the Consent Order.

43. **Cooperation with the Monitor.**

a. Takata and all of its officers, directors, employees, agents, and consultants shall have an affirmative duty to cooperate with and assist the Monitor in the execution of his or her duties and shall inform the Monitor of any non-privileged information that may relate to the Monitor's duties or lead to information that relates to his or her duties. Failure of any Takata officer, director, employee, or agent to cooperate with the Monitor may, in the sole discretion of the Monitor, serve as a basis for the Monitor to recommend dismissal or other disciplinary action.

b. On a monthly basis for a period of one year, the Chief Safety Assurance and Accountability Officer shall provide the Monitor with a written list of every safety-related issue concerning any item of equipment manufactured by Takata that is being investigated, reviewed, or monitored by Takata. The Monitor shall include these issues in the reports to NHTSA under Paragraph 42.

44. **Compensation and Expenses.** Although the Monitor shall operate under the supervision of NHTSA, the compensation and expenses of the Monitor, and of the persons hired under his or her authority, shall be paid by Takata. The Monitor, and any persons hired by the Monitor, shall be compensated in accordance with their respective typical hourly rates. Takata shall pay bills for compensation and expenses promptly, and in any event within thirty days. In addition, within one week after the selection of the Monitor, Takata shall make available reasonable office space, telephone service and clerical assistance sufficient for the Monitor to carry out his or her duties.

45. **Indemnification.** Takata shall provide an appropriate indemnification agreement to the Monitor with respect to any claims arising out of the proper performance of the Monitor's duties.

46. **No Affiliation.** The Monitor is not, and shall not be treated for any purpose, as an officer, employee, agent, or affiliate of Takata.

47. **Liquidated Penalties.** Should NHTSA reasonably determine, whether based on notice from the Monitor as provided in Paragraph 42 above, on documents that become public, but were not produced to NHTSA in accordance with any of the agency's Special Orders to Takata, or on NHTSA's own investigation, that Takata had committed a violation of the Safety Act or the regulations prescribed thereunder, which was not disclosed to NHTSA as of the date of this Consent Order, Takata shall pay Liquidated Penalties in accordance with this Paragraph 47; provided, however, that Takata reserves the right to argue that its actions did not constitute a violation of the Safety Act or the regulations prescribed thereunder, or that such violation was disclosed to NHTSA as of the date of this Consent Order. For the first such violation, Takata shall make a lump-sum payment of five million dollars ($5,000,000); for the second such

violation, Takata shall make a lump-sum payment of ten million dollars ($10,000,000); and for the third such violation, Takata shall make a lump-sum payment of twenty million dollars ($20,000,000). Each payment of such Liquidated Penalties shall be made by electronic funds transfer to the U.S. Treasury within ten business days of a final determination of the violation by NHTSA (following a reasonable opportunity for Takata to seek review of the determination), in accordance with the instructions provided by NHTSA.

VI. TERM OF CONSENT ORDER

48. Unless otherwise specified, the term of this Consent Order and Takata's performance obligations thereunder is five years from the date of execution; provided, however, that NHTSA may, at its sole option, extend the term of this Consent Order for one year if NHTSA reasonably decides that Takata should not be released from this Consent Order for failure to comply materially with one or more terms of this Consent Order, or for other good cause.

VII. AMENDMENT

49. This Consent Order cannot be modified, amended or waived except by an instrument in writing signed by all parties.

VIII. MISCELLANEOUS

50. **Investigation Remains Open.** Takata recognizes that NHTSA will keep the agency's investigation open in order to address the outstanding scientific and engineering questions with respect to the determination of root cause. Therefore, NHTSA's Investigation EA15-001 shall remain open until such time as NHTSA reasonably concludes, in its sole discretion and determination, that all issues thereunder have been satisfactorily resolved. Any

and all subsequent actions taken by NHTSA involving or related to the investigation into Takata air bag inflators may be included as part of EA15-001.

51. **Conflict.** In the event of a conflict between the terms and conditions of the First Takata Consent Order and this Consent Order, the terms and conditions of this Consent Order control.

52. **Notice.** Takata shall provide written notice of each required submission under this Consent Order by electronic mail to the Director of NHTSA's Office of Defects Investigation (currently Otto Matheke at Otto.Matheke@dot.gov), with copies to NHTSA's Associate Administrator for Enforcement (currently Frank Borris at Frank.Borris@dot.gov) and NHTSA's Assistant Chief Counsel for Litigation and Enforcement (currently Timothy H. Goodman at Tim.Goodman@dot.gov). For any matter requiring notice by NHTSA to Takata under this Consent Order, such notice shall be by electronic mail to D. Michael Rains, Director of Product Safety for Takata, at mike.rains@takata.com, and to Andrew J. Levander of Dechert LLP, outside counsel to Takata, at andrew.levander@dechert.com. The parties shall provide notice if the individuals holding these positions or their e-mail addresses change.

53. **Application of Federal Law.** Nothing in this Consent Order shall be interpreted or construed in a manner inconsistent with, or contravening, any federal law, rule, or regulation at the time of the execution of this Consent Order, or as amended thereafter.

54. **Release.**

a. Upon the expiration of the term of this Consent Order, the Secretary of Transportation, by and through the Administrator of NHTSA, will be deemed to have released Takata, including its current and former directors, officers, employees, agents, parents, subsidiaries, affiliates, successors, and assigns from liability for any additional

civil penalties pursuant to 49 U.S.C. § 30165, in connection with any and all violations of Takata's Safety Act obligations, including those expressly identified in this Consent Order, from the inception of the Safety Act through the execution date of this Consent Order.

b. This Consent Order does not release Takata from civil or criminal liabilities, if any, that may be asserted by the United States, the Department of Transportation, NHTSA, or any other governmental entity, other than as described in this Consent Order.

55. **Breach.** In the event of Takata's breach of, or failure to perform, any term of this Consent Order, NHTSA reserves the right to pursue any and all appropriate remedies, including, but not limited to, actions compelling specific performance of the terms of this Consent Order, assessing interest for untimely settlement payments, and/or commencing litigation to enforce this Consent Order in any United States District Court. Takata agrees that, in any such enforcement action, it will not raise any objection as to venue. Takata expressly waives any and all defenses, at law or in equity, and agrees not to plead, argue, or otherwise raise any defenses other than (i) that the payment of the Civil Penalty Amount, or of any other penalty amounts required by this Consent Order, if applicable, was made to NHTSA as set forth herein, (ii) that Takata has substantially complied with the terms of this Consent Order, and (iii) that NHTSA's subsequent orders under Paragraphs 25, 26, 29, 30, and 50, if issued, were arbitrary, capricious, or contrary to law, including the Safety Act.

56. **Attorneys' Fees.** The parties shall each bear their own respective attorneys' fees, costs, and expenses, except as provided in Paragraph 22 above.

57. **Authority.** The parties who are the signatories to this Consent Order have the legal authority to enter into this Consent Order, and each party has authorized its undersigned to execute this Consent Order on its behalf.

58. **Tax Deduction/Credit.** Takata agrees that it will not claim, assert, or apply for a tax deduction or tax credit with regard to any federal, state, local, or foreign tax for any fine or civil penalty paid pursuant to this Consent Order.

59. **Corporate Change.** This Consent Order shall be binding upon, and inure to the benefit of, Takata and its current and former directors, officers, employees, agents, subsidiaries, affiliates, successors, and assigns. Takata agrees to waive any and all defenses that may exist or arise in connection with any person or entity succeeding to its interests or obligations herein, including as a result of any changes to the corporate structure or relationships among or between Takata and any of its parents, subsidiaries, or affiliates.

60. **Severability.** Should any condition or other provision contained herein be held invalid, void or illegal by any court of competent jurisdiction, it shall be deemed severable from the remainder of this Consent Order and shall in no way affect, impair or invalidate any other provision of this Consent Order.

61. **Third Parties.** This Consent Order shall not be construed to create rights in, or grant any cause of action to, any third party not party to this Consent Order.

62. **Counterparts.** This Consent Order may be executed in counterparts, each of which shall be considered effective as an original signature.

63. **Effective Date.** This Consent Order shall be effective upon its full execution.

64. **Integration.** This Consent Order is a fully integrated agreement and shall in all respects be interpreted, enforced and governed under the federal law of the United States. This

Consent Order sets forth the entire agreement between the parties with regard to the subject matter hereof. There are no promises, agreements, or conditions, express or implied, other than those set forth in this Consent Order and the attachments thereto.

[SIGNATURES ON NEXT PAGE]

APPROVED AND SO ORDERED:

NATIONAL HIGHWAY TRAFFIC SAFETY
ADMINISTRATION,
U.S. DEPARTMENT OF TRANSPORTATION

Dated: November 3, 2015

By: **// ORIGINAL SIGNED BY //**

Mark R. Rosekind, Ph.D.
Administrator

Dated: November 3, 2015

By: _____

Paul A. Hemmersbaugh
Chief Counsel

Dated: November 3, 2015

By: _____

Timothy H. Goodman
Assistant Chief Counsel
for Litigation and Enforcement

Dated: November 3, 2015

By: _____

Elizabeth H. Mykytiuk
Trial Attorney

Dated: November 3, 2015

By: _____

Kara L. Fisener
Trial Attorney

Dated: November 3, 2015

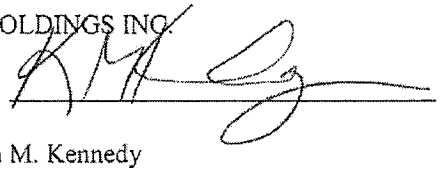
By: _____

Arija M. Flowers
Trial Attorney

AGREED:

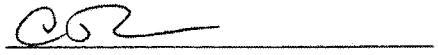
TK HOLDINGS INC.

Dated: November 2, 2015

By: 

Kevin M. Kennedy
Executive Vice President

Dated: November 2, 2015

By: 

Andrew J. Levander
Dechert LLP
Counsel for TK Holdings, Inc.
Approved as to Form

Appendix D

The Independent Monitor of Takata and the Coordinated Remedy Program

Recommendations of April 1, 2016

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April 1, 2016

Independent Monitor for Takata and the Coordinated Remedy Program

Dear Mr. Krembs:

Pursuant to Paragraph 44 of the Coordinated Remedy Order (the "CRO"), I write concerning the status of the Takata recalls.

Based on the completion rates achieved to date, it is clear that the conventional, homogeneous approach to recall outreach—characterized by notice letters and robocalls—will not be enough to accelerate the completion of these recalls. All OEMs must pursue innovative, targeted strategies that recognize the complexity of this recall and the severity of the defect at issue. OEMs should direct robust efforts especially at Priority Group 1, which includes vehicles in higher-risk HAH zones for which completion rates remain too low, and as to which Paragraph 39 of the CRO requires a sufficient supply of remedy parts to have been acquired by each OEM by March 31, 2016.

I am attaching an initial list of strategies that all OEMs should employ to enhance the Coordinated Remedy Program and accelerate completion. These strategies include, among others, programs described in certain individual OEMs' recall plans submitted pursuant to Paragraph 41 of the CRO. This list is not intended to be exhaustive, and my expectation is that you will continue to independently identify, test and share additional approaches of your own in the coming weeks, in part by leveraging your in-house marketing teams. I also request that each OEM continuously analyze the data it is generating in the newly instituted biweekly dashboards to identify areas of particular success and areas of special inadequacy, and rapidly build targeted strategies to improve completion rates on that basis.

The attached list is organized into four general categories: (i) consumer outreach and communication; (ii) dealer relations; (iii) private sector engagement; and (iv) loose parts recovery. I ask that you consider implementing all these approaches as soon as possible (to the extent you are not doing so already), and be prepared on your next call with the Monitor team to discuss the status of your company's efforts with regard to each, your company's measurement of their effectiveness, and other efforts you are pursuing or plan to undertake to improve completion rates and safeguard consumers.

As always, please do not hesitate to contact me with any questions, concerns or suggestions.

Sincerely,

John Buretta /AIR

John Buretta

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VIA EMAIL

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Encl.

Initial List of OEM Enhanced Outreach Strategies

1. **Consumer Outreach and Communication.**

   a. *Social media.*

   Use outlets such as Facebook, Twitter and other social media to target registrant models with messages that are motivation-oriented (as opposed to awareness-oriented).

   b. *Leverage customers' networks.*

   Consider messages or incentives for friends and family to share recall information and generate repairs (e.g., a free oil change if a person's social media contact brings a car in for repair).

   c. *Streaming media.*

   Use streaming media and apps to deliver customized, motivation-oriented messages.

   d. *Phone calls and SMS messaging.*

   Establish a consistent protocol whereby dealers collect a broad array of customer contact information—including mobile numbers, landlines and email addresses—to supplement registration data. Make telephone calls to contact vehicle owners directly, and assist in scheduling repair appointments with a dealer during the call. Where mobile numbers are available, utilize SMS messaging.

   e. *Contact consumers who are searching their VINs.*

   For each customer who enters a VIN on safercar.gov or the recall portion of your website and has an open airbag recall, contact the customer directly (ideally by telephone) to emphasize the urgency of the repair, and seek to schedule the repair during the call.

   f. *Ease of website use.*

   Regularly review the recall pages of your website to ensure that customers can readily obtain the latest recall information and search their VIN. Provide opportunities for live chat and direct connection to local dealerships, if possible.

   g. *Outreach strategy tracking and measurability.*

   Implement procedures to measure the success of customer outreach strategies by tracking associated VINs or other identifying information, where appropriate.

h. *Use of multiple relevant languages.*

Use languages other than English for customer communications, when appropriate.

i. *Marketing partnerships.*

Engage in marketing partnerships with organizations that have access to large groups of potential affected owners (e.g., sports leagues, theme parks) to conduct innovative, motivation-oriented announcements and advertising at large events. Consider on-site repair where feasible.

2. **Dealer Relations.**

a. *Dealer Incentives.*

Create or enhance incentives for dealers to schedule and complete recall repairs. For example, consider local, regional or national contests for dealers who achieve the greatest number or proportion of airbag recall repairs.

b. *Policies or compensation for used car operations.*

For dealerships that sell used vehicles, create or enhance incentives for dealers to check their used vehicles for open recalls and arrange for necessary repairs before selling the used vehicle.

c. *Dealer rental policy.*

Make rental vehicles available, particularly as to Priority Group 1 vehicles and other owners concerned for their safety. Where feasible, provide taxi or other car service (e.g., Uber, Lyft), to reduce inconvenience for customers traveling to and from their dealership while their repair is being done.

d. *Priority Service.*

Ensure that owners are not further inconvenienced due to dealership scheduling. Provide "front of the line" service, overnight service, weekend service, or ways of limiting the time vehicle owners need to spend traveling to or waiting at dealerships.

3. **Private Sector Engagement.**

a. *Vendor Communication.*

Develop motivation-oriented communication that can be shared with vendors, suppliers and service providers. Encourage these parties to help spread the word to their employees (and beyond, to those employees' friends and family).

b. *National and local used car companies.*

Seek out national and local used car sellers. Identify ways to verify whether vehicles in inventory have open airbag recalls, and develop solutions for repair prior to sale of the vehicle.

c. *Fleet, Business and Government Owners.*

Identify all fleet, business and government owners and determine how many unrepaired vehicles they have. Perform individual outreach to the relevant points of contact to achieve repairs.

d. *Independent Repair Facilities.*

Distribute materials to independent repair facilities enabling technicians and waiting customers to determine whether their vehicle is under recall, which actions need to be taken and how to quickly schedule a repair.

e. *Additional Targeting of Used Vehicle Sales.*

Share VIN information with services such as CarFax, and online listings such as Autotrader and Car.com, so that open recalls can be identified when prospective purchasers request a report or initiate a transaction.

4. **Salvage Parts Recovery.**

Employ vendors able to retrieve parts from salvage yards. Provide VIN information to integrated vendors who can search inventory, purchase parts and verify retrieval.

Appendix E

The Independent Monitor of Takata and the Coordinated Remedy Program

Recommendations of July 15, 2016

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July 15, 2016

Independent Monitor for Takata and the Coordinated Remedy Program

Dear Ms. James:

Pursuant to Paragraph 44 of the Coordinated Remedy Order (the "CRO"), I write regarding your company's business relationships with franchised dealers as they relate to the administration and execution of the Takata recalls.

I have reviewed the submissions made in response to my requests of May 18, 2016, regarding these issues. In addition, the Monitor team has met with dealers and their staffs in areas of the high-risk HAH region with high concentrations of unrepaired recalled vehicles. The information obtained through these efforts demonstrates that OEMs vary considerably in their approaches to locating and communicating with registered and expected owners of affected vehicles, and to leveraging their dealer networks to perform recall outreach. While some OEMs are empowering dealers with significant data, guidance and resources to facilitate outreach, others continue to follow a business-as-usual approach and are providing their dealers with little to no guidance regarding how to reach affected owners or what information to provide them.

I am attaching a list of recommended strategies specific to dealer relations, intended to supplement the recommendations accompanying my letter of April 1, 2016 (several of which related to these topics), enhance the Coordinated Remedy Program and accelerate this recall's completion. I ask that you consider implementing each of these strategies to the extent your organization is not already doing so, and that you submit a written explanation of your efforts as to each recommendation by August 15, 2016.

Sincerely,

John Buretta /AIR

John Buretta

Mary Jo James
Campaign Manager, Government Relations
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VIA EMAIL

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Recommended Dealer-Relations Strategies for Recall Completion

1. *Ensure Dealer Recognition and Accountability.*

a) Assign each dealer in your network a list of VINs, based on factors such as the vehicle's registered address, the dealer's primary market/service area and the vehicles that have previously visited the dealer for repairs.

b) Ensure dealers are regularly made aware of the number of unrepaired vehicles and have access to detailed information regarding the affected vehicles, parts availability and the prioritization of available supply and the appropriate handling of defective inflators after repairs are performed.

c) Evaluate dealers based on the completion rate within the assigned VINs, follow up with poor-performing dealers and provide recognition and/or incentives for top performers.

d) For both poor and superior performers, use mystery shoppers to identify strategies that are being used successfully or behavior that is contributing to poor performance.

2. *Provide Dealers with Customer Data.*

a) Provide dealers with owner contact information for assigned VINs so that they can conduct outreach to owners of assigned VINs utilizing Business Development Centers ("BDCs"), service advisors, or other dealer staff.

b) Supplement registered and expected owner contact information with appended data from appropriate third-party sources that may yield additional information—such as landline and cellular phone numbers, as well as email addresses—that is more likely to faciliate effective interaction with affected owners.

c) Isolate subsets of recalled vehicles—such as vehicles titled to insurance companies; vehicles not registered in the last two registration cycles; salvage title branded vehicles; and scrapped, stolen or exported vehicles—so that focused outreach efforts can be deployed most efficiently to those vehicles that are most likely to still be on the road, and separate analysis and tracking can be applied to the remaining vehicles.

3. *Leverage Dealers to Collect Additional Customer Data.*

a) Establish a clear, consistent protocol governing dealers' collection of relevant information regarding customers that contact the dealership for any reason related to recall repairs.

b) Ensure that dealers are collecting contact information for customers for whom no parts are available, or customers for whom only an interim remedy is

available, to facilitate follow-up and ensure that the customer can be contacted immediately as soon as a final remedy becomes available.

c) Provide dealers with "comment cards" for consumers to indicate what brought them to the dealership for the recall repair, to measure factors influencing recall compliance and assess effectiveness of recall outreach strategies.

4. *Provide Dealers with Messaging.*

a) Provide dealers with communications guidance, such as talking points and call scripts, to ensure delivery of a clear, accurate and consistent message regarding recall repairs and related issues and services (e.g., parts availability, extended service hours, availability of loaner vehicles, etc.).

b) Ensure that all such guidance recognizes the importance of bilingual or multilingual communication.

5. *Expand Dealer Reimbursement Policies.*

Expand the scope of your dealer reimbursement policy to cover costs incurred by dealers in undertaking recall outreach and in providing services—such as towing, provision of loaner vehicles, extended service hours and training of additional technical staff—that are most likely to address owner-inconvenience and scheduling issues and enhance recall completion. Certain dealers may also require reimbursement related to space constraints and off-site vehicle storage due to grounded vehicles without repair parts.

6. *Engage with Wholesale Auctions.*

Encourage your dealer network to engage with local administrators of wholesale auctions to enhance the tracking of vehicles with open recalls sold at auction and to explore the possibility of repairing vehicles at the auction location.

7. *Evaluate Technician Training Requirements.*

Assess whether the training or certification required for technicians authorized to perform Takata recall repairs is commensurate with the work.

8. *Host Dealer Best Practices Roundtables.*

Engage with your dealer networks regarding the Takata recalls through hosting regional or local dealer roundtables that enable dealers to share best practices, challenges, concerns and opportunities for improvement. Gather this feedback and develop solutions specific to the local and regional needs of your dealers.

Appendix F

The Independent Monitor of Takata and the Coordinated Remedy Program

Recommendations of December 23, 2016

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December 23, 2016

Independent Monitor of Takata and the Coordinated Remedy Program

Dear Affected Vehicle Manufacturers:

Pursuant to Paragraph 42 of the Third Amendment to the Coordinated Remedy Order (the "ACRO"), please find enclosed a series of Coordinated Communications Recommendations developed in conjunction with NHTSA.

The Takata recall is the largest, most complex automotive recall in U.S. history, and the severity of the defect at issue, combined with the low completion rates to date, has led NHTSA to order the recall's acceleration. Completion rates in recall campaigns launched thus far make clear that statutorily mandated owner notification letters alone will not be enough to accelerate the recall on the timelines NHTSA has ordered. Moreover, the recall's complexity creates the potential for significant consumer confusion, which will only be compounded if automakers are delivering messages that differ from one another and from the messages delivered by NHTSA.

Accordingly, these recommendations are intended to provide a baseline set of consistent messaging principles and communication strategies for each Affected Vehicle Manufacturer to use in conducting recall outreach. These recommendations are based on consumer research, best practices we have observed in the conduct of the recall to date, and our ongoing discussions with each of you, including during the Coordinated Remedy Proceeding this past summer at NHTSA headquarters. These recommendations are not intended to be an exhaustive list, and my expectation is that you will continue to develop additional approaches of your own based on the particular characteristics of your respective recall segments as the recall progresses. I welcome proposals for alternative messaging or strategies not encompassed by these recommendations, so long as any such proposal is accompanied by supporting data, analysis and rationale, consistent with the process set forth in the ACRO.

Pursuant to Paragraph 42 of the ACRO, please ensure that all future supplemental owner notifications are consistent with these recommendations, unless otherwise directed by NHTSA. Please transmit electronic versions of such communications to NHTSA and my team, not less than five business days before you plan to post them online, publish, or send them to consumers, by uploading them to the ShareFile site for which my team will be sending access instructions and credentials under separate cover. You may proceed with issuing your intended communications after the five business days have passed, unless otherwise instructed; you do not need to wait for a specific authorization to proceed.

NHTSA has indicated that uploading of communications to the ShareFile site will constitute compliance with your obligations under 49 CFR § 573.6(c)(10) to submit representative copies of issued communications on a recall. Should a proposed communication you submit need to be revised after consultation with NHTSA, my team or me, please upload a copy of the revised version to the ShareFile site, in a manner that indicates it is a revised version.

Please do not hesitate to contact me with any questions, concerns or suggestions.

Sincerely,

John Buretta

VIA EMAIL TO:

BMW of North America, LLC
Daimler Trucks North America, LLC
Daimler Vans USA, LLC
FCA US, LLC
Ferrari North America, Inc.
Ford Motor Company
General Motors, LLC
American Honda Motor Company
Jaguar Land Rover North America, LLC
Karma Automotive (on behalf of certain Fisker vehicles)
Mazda North American Operations
Mercedes-Benz US, LLC
McClaren Automotive, Ltd.
Mitsubishi Motors North America, Inc.
Nissan North America, Inc.
Subaru of America, Inc.

Tesla Motors, Inc.
Toyota Motor Engineering and Manufacturing
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Independent Monitor of Takata and the Coordinated Remedy Program

Coordinated Communications Recommendations

1. *Pursue a multi-touch communications strategy that employs non-traditional means of outreach.*

    a. Engage in outreach specific to the Takata airbag recall employing at least three of the following means of non-traditional outreach:

        i. Postcards;

        ii. Email;

        iii. Telephone calls;

        iv. Text messaging; and

        v. Social media (i.e., Facebook, Twitter, etc.).

    b. Coordinate communications across different means of outreach to ensure that each vehicle in a launched campaign receives at least one form of outreach per month until the vehicle is repaired, unless the vehicle has been excluded from recall outreach as scrapped, stolen, exported or otherwise unreachable under the procedures set forth in Paragraphs 45-46 of the ACRO.

    c. Ensure that you are employing high-quality, up-to-date owner contact information in conducting outreach.

        i. Pursue data appends from multiple sources beyond those that rely primarily on state vehicle registration records.

        ii. Increase the frequency with which you obtain updated owner contact information, especially for older model-year vehicles that may change hands frequently in the secondary market.

        iii. Even in scenarios where remedy parts are not yet available for the owner's vehicle, request that the owner take action to confirm or update the owner's contact information, and offer multiple, convenient means for doing so (e.g., a form available on your website, a dedicated phone number, a postage-paid card the owner can mail back).

        iv. Whenever you receive updated owner contact information for a vehicle, ensure that at least one mailed communication for which delivery can be confirmed (e.g., first class mail, FedEx) is sent to the new address.

v. Wherever possible, include in every communication an option for the recipient to notify you that the vehicle in question has been sold, transferred, or is otherwise being primarily driven by a party not residing at the same address as the recipient.

d. Adopt an escalation strategy—including but not limited to the use of more graphic imagery—for particular vehicles for which parts are available and the consumer has received multiple forms of outreach, but the vehicle has nonetheless still not been repaired.

e. Encourage consumers to sign up for recall alerts at NHTSA.gov/alerts.

2. *Convey the risk presented by airbag ruptures in clear, accurate and urgent terms.*

a. Describe the risk associated with the defect using simple language that emphasizes the risk of injury or death to both drivers and passengers stemming from shrapnel in the event of a rupture (e.g., "In even a minor fender bender, the airbag inflator in your vehicle could rip apart and send shards of shrapnel toward you and your passengers. People have been killed and seriously injured by this defect.").

b. Do not include information that is likely to mitigate the owner's perception of the risk (e.g., "No ruptures have been observed in [OEM's] vehicles to date.").

c. Use bold text to highlight particularly impactful words (e.g., "urgent", "kill").

d. Include imagery that reinforces graphically the nature of the risk (such as the "shrapnel hazard icon" developed by and available from the Monitor).

e. Avoid using generic or low-impact imagery (e.g., scenic pictures).

f. In letter communications, include a red headline at or near the top of the letter, with prominently featured text, such as "Urgent Safety Recall".

g. In email communications, use the word "URGENT" in the subject line.

h. In scenarios where remedy parts are not yet available:

i. Include a concise statement indicating that NHTSA has ordered automakers to accelerate the development and production of remedy parts, and to prioritize repairs for vehicles according to risk factors identified through testing;

ii. State the date by which parts must be available for the consumer's vehicle, pursuant to the relevant provision of the Coordinated Remedy Order (i.e., Paragraph 39 of the November 2015 Coordinated Remedy Order or Paragraph 34 of the December 2016 Third Amendment to the Coordinated Remedy Order);

3. *Anticipate and address possible consumer misperceptions or other concerns relating to recall repairs.*

    a. Emphasize throughout all communications that repairs are free; repairs can be performed by any OEM-authorized dealer regardless of where the vehicle was purchased; and the owner will not be charged for any other service or repair unless the owner requests it.

    b. Affirmatively recognize the inconvenience presented by the need to have the vehicle repaired, and prominently feature the details of all services you or your dealers provide that address owner inconvenience associated with the repair (e.g., towing, provision of loaner or rental cars and extended dealer service hours).

    c. Adopt a dedicated, toll-free phone number solely for Takata recalls to centralize the scheduling of repairs, ensure appropriate prioritization at dealers, and respond to customer questions or concerns regarding the Takata recall.

    d. Advise consumers that they may contact NHTSA with any questions or concerns regarding the recall at 1-888-327-4236.

    e. In letter and postcard communications, collect in a boxed area a series of bullet points with the most relevant information (e.g., that the vehicle is defective, that the repair is free, how to schedule a repair and the details of any services you provide to address owner inconvenience).

4. *Tailor communications to the individual owner and vehicle at issue, to reinforce the message's credibility and distinguish it from commercial solicitations.*

    a. Wherever possible, address communications using the vehicle owner's name (avoid "Dear Vehicle Owner" or "Dear Resident").

    b. Prominently display your logo as well as logos of the Department of Transportation and NHTSA, consistent with instructions provided by NHTSA.

    c. Include a picture of the actual vehicle at issue near the top of the communication, including such details as the vehicle's make, model, model-year, color and trim package, and repeat these same details in the text of the communication.

    d. Ensure that all text messages, emails and social media outreach feature a link to a webpage offering Takata-recall-specific information, rather than the homepage of your website or a page on your website addressing recalls or dealer repairs in general.

5. *Ensure that your messaging is accessible to owners with limited reading or English skills.*

    a. Ensure that all communications are in—at a minimum—both English and Spanish, and assess whether employing additional languages may be appropriate in light of the characteristics of your specific owner population.

    b. Avoid scientific or technical jargon (e.g., "the inflator could produce excessive internal pressure upon deployment").

    c. In written communications, a font size of at least 11 pt. is recommended to ensure that consumers can reasonably engage with the content.

6. *Include a clear call to action designed to facilitate prompt and efficient scheduling of repairs.*

    a. Prominently feature (and, wherever possible, repeat numerous times) the telephone number consumers should call to schedule a repair.

    b. In telephonic communications, ensure that all calls are designed to facilitate scheduling an appointment for a repair as part of the initial interaction with the consumer. Minimize the need for the consumer to call the dealer separately or wait for a callback to schedule an appointment.

    c. In text messages, email and social media outreach, include links to your online repair scheduling platform, if available.

    d. In social media outreach, ask consumers to share your message with friends and family. Append "#checkforrecalls" to Facebook or Twitter postings.